

LEGISLATIVE ASSEMBLY OF MANITOBA

Monday, January 22, 1990.

The House met at 1:30 p.m.

PRAYERS

ROUTINE PROCEEDINGS

INTRODUCTION OF BILLS

BILL NO. 96—AN ACT TO AMEND AN ACT RESPECTING THE ROMAN CATHOLIC ARCHIEPISCOPAL CORPORATION OF WINNIPEG AND THE ROMAN CATHOLIC ARCHDIOCESE OF WINNIPEG

Mr. James Carr (Fort Rouge) introduced, by leave, Bill No. 96, An Act to amend an Act respecting the Roman Catholic Archiepiscopal Corporation of Winnipeg and the Roman Catholic Archdiocese of Winnipeg; Loi modifiant "An Act respecting the Roman Catholic Archiepiscopal Corporation of Winnipeg and the Roman Catholic Archdiocese of Winnipeg."

MATTER OF PRIVILEGE

Mr. Harry Harapiak (The Pas): Mr. Speaker, before proceeding with Oral Questions, I rise on a matter of privilege and would seek the floor to move my case.

I am rising on a matter of privilege, because I feel that information that was given to the House on January 8 by the Minister of Labour (Mrs. Hammond) was in fact misleading information and as such has interfered with my ability and our ability as legislators to represent constituencies, not only with those who are residents of apartment buildings, but workers and citizens across the province.

Mr. Speaker, as you are aware, there are three conditions that must be met with respect to a matter of privilege: first, that it is brought to the attention at the earliest possible moment; and the second, that there is a prima facie case, that indeed the privileges of Members of the House have been breached and interfered with; and third, that it is concluded by a substantive motion. I am bringing this matter to your attention now, which is the earliest possible occasion owing to my being in my constituency last week when Order-in-Council 1459 of December 20 was finally released publicly.

* (1335)

When I asked the Minister of Labour (Mrs. Hammond) on January 8 of this year whether the Minister would reinstate gas inspectors, the Minister told the House that she was reviewing the inspection of boilers and chimneys. In fact, as the Order-in-Council of December 20 makes clear, she had already further gutted such inspections and was deliberately withholding such information from the public.

It should be noted that a person died on Christmas Eve of carbon monoxide poisoning in an apartment

building where the chimney was blocked. The chimney had not been inspected, so my asking about gas inspectors the first day the House sat after the incident was proper and important.

Neither I nor any any Members of the Opposition were aware that the Minister was far from strengthening the inspection, was actually weakening the regulation. Thus, withholding of this council was similar to her withholding a previous council where she dropped a requirement for complete warning labels on dangerous materials against the advice of Worker Advisors Committee, and in fact supported only by this credited Minister, former Minister of Labour, the Member for Portage la Prairie (Mr. Connery).

In order for Members to do our work as representatives, we must have full, accurate and complete information available to us. We rely upon the Government Members of the Treasury Board to provide us with the factual and complete information when they speak in the Chamber, not half truths and misleading information. Without accurate information, the purpose of legislation responsibilities becomes tainted. We cannot properly debate Government action if the Government operates in a secretive manner as stated in this instance.

I therefore move, seconded by the Member for Thompson (Mr. Ashton), that this House censure the Minister of Labour (Mrs. Hammond) for her contempt of the privileges of the House, privileges of the Members of the Legislature, and by deliberately misleading all Members by stating that she was reviewing policies concerning gas inspections when in fact she had already reduced regulations concerning such inspections and had not released them publicly.

Mr. Speaker: I will permit limited and strictly relevant debate concerning whether or not the matter has been raised at the earliest opportunity and that a prima facie case has been established.

The Honourable Government House Leader.

Hon. James McCrae (Government House Leader): Mr. Speaker, in order to be afforded the opportunity to argue the three requirements of a question of privilege, that being the matter being raised at the earliest opportunity, whether or not there is a prima facie breach, and whether or not the motion is indeed something that should be discussed by Honourable Members in this Chamber, I think in order to allow for that, it would be wise to give Honourable Members an opportunity to take the matter under advisement so that we can properly argue the points raised by the Honourable Member for The Pas (Mr. Harapiak) today.

I would ask that Your Honour hold the matter over so that we can bring forward our arguments with respect to the matter raised to the Honourable Member as to whether there is indeed a breach or a prima facie breach

that might be discussed in the House with regard to a motion to refer it somewhere else.

Mr. Reg Alcock (Opposition House Leader): Mr. Speaker, I would like just to make a few comments on what the Government House Leader has just suggested.

I think, Mr. Speaker, it is incumbent upon you to determine whether or not a prima facie case has been established, and I would advise you to take the matter under advisement. I do not think the House should be taking it under advisement. I think we can offer advice at the present time.

A matter of privilege, as you know, is a very serious matter. I think the question of timeliness, the Member has spoken to that, and I think that you can be the judge of that particular question.

In terms of the legitimacy of the case and the prima facie nature of the complaint that he is raising, we have many times raised concerns in this House about the accuracy of information being provided by the Government. I think that this case clearly demonstrates the problems that we have been concerned about. I would ask that you review this most carefully, because I think it is time this Government was challenged to start producing accurate and timely information.

* (1340)

Mr. Steve Ashton (Second Opposition House Leader): Mr. Speaker, first of all in terms of the proceedings that normally take place in a matter of privilege, I believe that the Member has, as outlined, met the conditions for a normal matter of privilege. I must indicate surprise that the Government House Leader does not wish to deal with the arguments at this time. I have never seen a Government ask a matter of privilege be taken as notice, which seems to be the case in this particular situation. I know it is quite common for the Speaker to take time to review the facts based on the arguments that have been made by the Members of the Government.

I suspect part of the problem may be that they are increasingly having difficulty in owning up to the fact that in this particular case and other cases somehow we are not getting accurate information, but in matters of very sensitive areas, in this case the safety of the people of this province, they did not have an answer for the fact that they gave a wrong answer, a misleading answer, to a Member of this House who asked a question during Question Period after a decision had been made to roll back safety standards. If they do not have an argument against that at this point in time, that is their problem.

It may also be the problem of the people of Manitoba. I do not think that it is appropriate for us, Mr. Speaker, to now take this matter as notice. We should be dealing with this. You may in fact wish to take it under advisement. I would like to hear from the Government for a change on this why they misled this House, why they misled this Member, the Member for The Pas, why they did roll back the safety standards when they said they were reviewing it, when in fact they made that

decision in December. I think we would all like to get that answer. If we got some straight answers, we would not have to be standing here on matters of privilege raising this. It is absolutely unacceptable for the Government to now say they do not have an answer to the Member's matter of privilege. We should deal with it. Perhaps you should take it under advisement and we can deal with it further at a later point of time. I want to hear the Government's answer to this very serious matter.

Mr. McCrae: Mr. Speaker, my simple request to Honourable Members may be sincere in saying that you may or may not wish to take the matter under advisement. I suggest it is a good idea. All I was asking was that I be reserved an opportunity to speak prior to Your Honour making a determination about the prima facie nature of the case.

Mr. Speaker: Order, please. I would like to thank all Honourable Members for their advice. I will be taking this matter under advisement and I will return to the House with a ruling.

ORAL QUESTION PERIOD

Workplace Safety and Health Oil Burner Installation

Mr. Paul Edwards (St. James): Mr. Speaker, my question is for the Minister of Labour (Mrs. Hammond).

On Friday, I raised with the Premier the recent reduction of licensing requirements by this Minister under the gas and oil burner regulations. The Premier indicated that, and I quote: "We will continue to consult with those people who work in the industry, the qualified workers, labour representatives and people applying the standards."

Mr. Speaker, I indicated on Friday that the Minister and the Government, in fact, had not consulted with its own Workplace Health and Safety Advisory Committee. Now I have learned that they also did not consult with the Heating, Refrigerating and Air Conditioning Institute. My question is: who did they consult with or, more to the point, who are they lobbied by?

* (1345)

Hon. Gerrie Hammond (Minister of Labour responsible for Workplace Safety and Health): Mr. Speaker, I was going to rise to answer the question that the Premier took as notice on Friday.

The new regulation does not change the requirement for having a licence to install oil and gas burning equipment. The regulation allows the department to issue a special oil burner installer's licence to a person who is factory trained to specific equipment. The licence is limited to the installation and service on that particular equipment. This is a licence that is similar to the special gas fitter's licence that has been in existence for many years.

The special oil installer's licence will only be issued to highly trained individuals that receive factory training

and only on unique types of equipment. What has been found is the people that needed this special type of repair and installation could not find oil and gas burner people to install, and there are about 200 pieces of equipment so we are giving a special licence.

This is a safety requirement. We are not reducing safety. We are increasing safety in Manitoba. New technology—

Some Honourable Members: Oh, oh!

Mr. Speaker: Order, please. The Honourable Member for St. James.

Mr. Edwards: Mr. Speaker, I suggest that this Minister read what she signed. The fact is she has the most backward way of improving safety of any Minister in this Government.

My supplementary question to the Minister—and Mr. Mault, the director of Mechanical and Engineering Branch, gave a similar answer on Friday. Mr. Speaker, should not the licensing board, the board of experts set up by this Minister, be the ones to judge what constitutes equivalent experience in this field? Why has the Minister politicized the licensing process by taking unto herself that knowledge which is in the hands of the board of experts presently set up under this Act?

Mrs. Hammond: This Member is constantly admonishing the Government for not working on today's standards. What we have is new technology that is unique to this type of equipment. We do not have the people to inspect. They are only going to be specific. The licence will be specific to the type of equipment. That is all they will be able to install, and that is all they will be able to repair. This is happening under the special gas fitter's licence. This happens in unique instances, and it is going to happen more and more as new technology takes place daily.

I do not apologize for making this move, because this is a good move for this particular instance. We make sure that the people will have the technology and will have the experience to work on these very specific installations.

Mr. Edwards: Mr. Speaker, let us be clear, the board of experts under this Act previously had to be the body that licensed anybody who serviced or installed gas and oil burners. This Minister has taken unto herself that power to license. That is a reduction of safety standards.

My question to the Minister is, what is the real reason for this change given that the board of experts already has, under the regulations, the power to recognize equivalent experience and do exactly what this Minister is saying she had to take unto herself to do?

Mrs. Hammond: Mr. Speaker, what we are attempting to do with this regulation change is to make those particular workplaces safe for the workers. The only way to do it was to be able to issue a very specific licence. We have done this to protect the workers because the issue is, if they cannot get people to do

it, they may start to do it themselves and that would be very unsafe. So we are making a very specific licence change.

Mr. Edwards: Mr. Speaker, on a new question of the same Minister, the Minister has earlier indicated in her answers that if this new technology requires new expertise, who is going to monitor those people. Why has the Minister taken unto herself the power to monitor and licence, when the fact is we have a board of experts in this province which already monitors gas and oil burners? We have seen a tragic accident within this province very recently, in which her department was found wanting for the very inspections she has taken unto herself—

Mr. Speaker: Order, please. The question has been put. The Honourable Minister of Labour.

Mrs. Hammond: What we are dealing with here is a special oil burner installer licence where they will be dealing with very specific new technology in an industry that needs it. When we took this under advisement we made sure, and will make sure, that only highly technical people will be dealing with this.

* (1350)

Carbon Monoxide Poisoning Detection

Mr. Paul Edwards (St. James): Mr. Speaker, this Minister says that she has all kinds of concerns about new technology and the way to deal with it. Why has her department not even seen fit to purchase the new technology available to detect carbon monoxide in the air, available since April for \$119.00? How can we trust this Minister and what she says, when the fact is—

Mr. Speaker: Order, please. The question has been put.

Hon. Gerrie Hammond (Minister of Labour responsible for Workplace Safety and Health): In Estimates, when the Member asked that specific question, we said we were not averse to trying out that equipment, but we feel that there is more that needs to be done than doing something after the fact. What we want to do is prevent that type of unfortunate accident from happening.

Mr. Edwards: This is the Minister who feels that she obviously knows better than the board of experts. This is the Minister whose department did not have the technology available, which might have prevented that fatality at College Avenue.

Workplace Safety and Health Cancer-Causing Substances

Mr. Paul Edwards (St. James): For the same Minister, why has she not brought into place carcinogen levels at the lowest detectable level, which her Premier (Mr. Filmon) has indicated is the correct level despite what

she did back in June? Why has she not brought that into place months after the Premier made a commitment that they would be put back into place?

Hon. Gerrie Hammond (Minister of Labour responsible for Workplace Safety and Health): Mr. Speaker, the Workplace Safety Advisory Council has brought a recommendation to me. I have accepted it. We are now waiting for the labelling, which they had said would come in by the end of January, and then we will be bringing recommended changes to Cabinet.

Power Engineers Act Standards Reduction

Mr. Paul Edwards (St. James): This is No. 6, I think, finally for the same Minister. Mr. Speaker, is this Minister presently considering also reducing standards under The Power Engineers Act to take inspections of power plants by a licensed operator from 10 hours to 24 hours?

Hon. Gerrie Hammond (Minister of Labour responsible for Workplace Safety and Health): No, Mr. Speaker.

Work Stoppages Strike Days

Mr. Gary Doer (Leader of the Second Opposition): My question is to the same Minister on a different matter. Women's groups, church groups, labour groups, the New Democratic Party are opposed to the repeal of final offer selection in The Labour Relations Act. On the other hand, the Chamber of Commerce, the Conservatives and the Liberals are in favour of repealing the final offer selection in The Labour Relations Act of this province.

My question to the Minister of Labour (Mrs. Hammond) is, can the Minister confirm that in 1989, as reported this weekend in a business column, less than 2,200 person days were lost for strike in Manitoba, which is the lowest it has ever been in this province for the last 15 years? Can the Minister confirm those numbers for the people of Manitoba?

POINT OF ORDER

Hon. James McCrae (Government House Leader): A point of order, Mr. Speaker.

Mr. Speaker: The Honourable Government House Leader, on a point of order.

Mr. McCrae: I just wonder if the Honourable Member for Concordia (Mr. Doer) knows which order of business we are on today? This is Question Period.

The fact is that he will have ample opportunity to discuss the final offer selection legislation, proposed by this Legislature, at almost any day, because we call Bill 31 basically as one of our first priorities every day as we enter on the discussion of Bills. I wonder if his question is in order in relation to that other opportunity for debate.

Mr. Speaker: The Honourable Member for Thompson, on the same point of order.

* (1355)

Mr. Steve Ashton (Second Opposition House Leader): We in fact, for the information of the Government House Leader (Mr. McCrae), did raise questions on final offer selection last week. That item has been dealt with. Unfortunately, we did not get much in the way of answers even then. I think that probably explains why our Leader is asking these questions today, which are totally in order.- (interjection)-

Mr. Speaker: Order, please. On the point of order raised by the Honourable Government House Leader, which relates to the anticipation of a question, I am not aware of what is coming up during Orders of the Day. I think if the Honourable Leader of the New Democratic Party, the Member for Concordia (Mr. Doer), was asking a very detailed question which should be dealt with in committee, but I am of the opinion that he is asking a policy question. Therefore, the question is in order.

Hon. Gerrie Hammond (Minister of Labour): Mr. Speaker, the Member for Concordia (Mr. Doer) is correct. There have been lower job losses in Manitoba, but they have also been, at least work stoppages, the same all across Canada in every jurisdiction. So they do not have final offer selection so you cannot use that hypothesis.

Final Offer Selection Labour Minister's Position

Mr. Gary Doer (Leader of the Second Opposition): I await the Minister's specific answers on that because, in the first five months that we have statistics in 1989, Saskatchewan lost 10,000 person days to strike, and Manitoba in that same period of time under final offer selection and a more creative futuristic approach to labour relations only lost 700 days to strike.

My question to the Minister is, does she still stand by her statement that we would do better without final offer selection? Will she review the data in terms of the two years' experience that clearly shows that Manitoba is maintaining not only the second-lowest days lost per strike in the country but also we are far and away doing better under final offer selection? Will she remove the ideological spectre and start looking at in a rational way the results of this innovative and futuristic legislation.

Mrs. Gerrie Hammond (Minister of Labour): Mr. Speaker, under final offer selection, in 1988, six of the 11 work stoppages lasted from 77 to 90 days. Before that, it was 50 days or less, and I think that speaks for itself.

Impact Study Tabling Request

Mr. Gary Doer (Leader of the Second Opposition): It speaks for the Chamber of Commerce that is dictating all kinds of policy issues in this Chamber. Mr. Speaker,

it speaks for the Chamber of Commerce's position, not church groups, women's groups, working groups that are opposed to the repeal of this legislation.

My question is to the Minister. Will she table - (interjection)- Well, we saw how the Liberals are controlled under their leadership campaign, Mr. Speaker. My question to the Minister is this: will she table an up-to-date, independent impact on the two years of final offer selection, which clearly shows it is innovative, it is futuristic and it is working? Will she agree to table that in the House, or are we staying with her ideologies?

Hon. Gerrie Hammond (Minister of Labour): Mr. Speaker, I have already indicated to both the critics in Estimates that I would table that information. I believe that the information is going out to them today.

Labour Minister's Position

Mr. Gary Doer (Leader of the Second Opposition): My final question then to the Minister is this. As it clearly shows that Manitoba is enjoying now almost a negligible days lost per strike in this province, the lowest it has been for 15 years, would the Minister now agree that final offer selection is working, as church groups have said and women's groups have said, and therefore withdraw the legislation on behalf of the Government so we can get on to the 1990s in a futuristic way, rather than going back to the past with the Liberals and Conservatives and the Chamber of Commerce?

Hon. Gerrie Hammond (Minister of Labour): Mr. Speaker, this was one of the areas that the Women's Agenda brought up, and it was one of the few areas where there were 12 abstentions, so this is not an area that people agree on. We believe we are on the right track by repealing final offer selection, and we will continue on with it.

* (1400)

Manitoba Housing and Renewal Corp. Mortgage Auction Delay

Mrs. Sharon Carstairs (Leader of the Opposition): Mr. Speaker, my question is to the Minister of Housing (Mr. Ducharme). The Manitoba Housing and Renewal Corporation was represented in court this morning by their lawyer. Can the Minister of Housing tell us what position MHRC took with regard to the request by the developer to delay the auction of Place Promenade?

Hon. Gerald Ducharme (Minister of Housing): Mr. Speaker, first of all, I thought maybe the Leader of the Opposition was going to get up and apologize in regard to a question put forward by the Member for Fort Rouge (Mr. Carr) on Friday, implying—

Some Honourable Members: Oh, oh!

Mr. Speaker: Order, please. Order.

Mr. Ducharme: —that Manitoba Housing had ignored conditions set out by CMHC. First of all, the issue

relating to final advance was publicly clarified by the director of CMHC over the weekend and requires no further deliberation.

However, in answer to the most recent question by the Leader of the Opposition, there was a motion granted by Chief Justice V. Simonsen this morning. The ruling is that the mortgage sale be delayed till at least February 2, '90. This is the court's order, and we have abided by their order, the same as we will abide by any conditions that are set by CMHC, any that we have been following since we took over this particular agreement.

North Portage Development Corp. Mortgage Auction Delay

Mrs. Sharon Carstairs (Leader of the Opposition): Mr. Speaker, but that was not the question. The question was this: how did the Manitoba Housing and Renewal Corporation present its case? Indeed they presented their case in opposition to the delay in the auction. Will the Minister of Urban Affairs tell us how the North Portage Corporation argued this morning in court?

Hon. Gerald Ducharme (Minister of Urban Affairs): Mr. Speaker, the Leader of the Opposition should maybe go back to court and see how we proceed under the mortgage agreement. We have conditions that we must follow that are set aside by CMHC. She is suggesting that we set the conditions. CMHC is the insurer. They set the conditions. We follow those conditions. We would be willing to proceed under the mortgage sale. We would have as of January 24 because that is one of the conditions that we must follow.

Mrs. Carstairs: We have a conflict in the Minister. One-half of his department argues that in fact there should be no delay. The other half of his department argues that indeed there should be a delay. Will the Minister responsible for Urban Affairs tell the House what direction he gave to his representatives of the North Portage Development Corporation as to the position that corporation should take in court today?

Mr. Ducharme: There is no way MHRC is delaying. MHRC is following the rules and the conditions set by CMHC. As far as we were concerned, this morning when we went into court we were to proceed with mortgage sale. We will proceed with the mortgage sale to protect the \$18.5 million. If that Member over there on the Opposition wants to put \$18.5 million on the table, I will follow her conditions.

Crown Corporations Accountability

Mr. Speaker: The Honourable Leader of the Opposition, with a new question.

Mrs. Sharon Carstairs (Leader of the Opposition): With a new question, since the Minister of Urban Affairs (Mr. Ducharme) seems prepared to pass over his authority to the Opposition, will he now instruct the North Portage Development Corporation, as well as

The Forks Development Corporation, to appear before this body so they can be examined in detail as to the future development plans from the City of Winnipeg?

Hon. Gerald Ducharme (Minister of Urban Affairs): The Member from across the way wants to probably debate everything in regard to north of Portage, The Forks and the mortgage sale. Right at this time I must be very, very careful. It is before the court and I as Minister, MHRC as housing responsible for \$18.5 million, will not deviate from that mortgage sale unless instructed by CMHC that is the insurer.

The Forks Renewal Corporation Mandate

Mrs. Sharon Carstairs (Leader of the Opposition): The evolutionary plans of the North Portage Development Corporation and The Forks Development Corporation belong to the people of this city and to the province. I, along with 16,000 other people, was at The Forks on Sunday skating on the rinks. That is the kind of development the people of this province want at The Forks. Can the Minister tell the House when he is going to give the people the opportunity to once again voice their mandate, their directions, for The Forks?

Hon. Gerald Ducharme (Minister of Urban Affairs): I am very happy that the Honourable Member from the Opposition has visited The Forks. I am proud of The Forks, I am proud of the market, I am proud of the rink that is there, I am proud of the river bank that is going on. Each year, The Forks has an open public hearing that will listen. If she would read the Estimates procedure of Urban Affairs, she will see the comments by this Minister. The comments by this Minister to The Forks are, proceed but do not be in a hurry to develop for the sake of developing. The people will tell you in the area what they want in the long haul and that is why we will have public meetings each year.

Crown Corporations Accountability

Mrs. Sharon Carstairs (Leader of the Opposition): The question is this: are they accountable or are they not accountable? Right now they are not accountable. Why will this Minister not demand, at least through his representatives, full accountability from both North Portage and The Forks so development can take place in the best interests of the people of this city and province?

Hon. Gerald Ducharme (Minister of Urban Affairs): Mr. Speaker, it is quite ironic. The Member from across the way visited The Forks. Maybe she could suggest to everyone where they have moved from that mandate from where The Forks was established. They have done the market, they have done the park, they have done the river bank, they have not deviated from that mandate. They will keep working towards the mandate that is applied for them at The Forks and they will hear public hearings each and every year to get the good ideas. The people of Winnipeg have given those ideas. The perception of the Member across the way is that they have deviated. They have not deviated in any way.

Pinkham Day Care Facility Funding

Ms. Judy Wasylcia-Leis (St. Johns): Mr. Speaker, I have a question for the Minister of Family Services (Mrs. Oleson). In September of this past year, construction of the Pinkham day care facility in the Pinkham School was completed. Since then that facility has sat empty. It is a fully equipped centre, heated, with a board ready to run it. It has done all the necessary steps to address the needs in an inner city community. I would like to know from the Minister why, when she had made a promise last year to ensure that centres would be funded immediately upon completion of construction, she has broken that promise, why over 40 kids have to go without space in a needy area. Why will she not flow that money immediately?

Hon. Charlotte Oleson (Minister of Family Services): Mr. Speaker, I have not broken a commitment to that group. They will be funded as soon as possible.

Ms. Wasylcia-Leis: Mr. Speaker, I wish the Minister would check Hansard and get the facts straight. On October 17, 1988, she said clearly and unequivocally this centre, Pinkham day care facility, would be funded immediately upon construction. She has broken that promise. She misled this House, and it is the children who must go without adequate care. Given that the Minister did say she would fund immediately upon construction, will the Minister make a commitment to the House today that monies will flow immediately to fund this vacant beautiful child care centre in a very needy area of our province?

Mrs. Oleson: Mr. Speaker, that is under active consideration and I will have an answer for the Member very shortly.

Ms. Wasylcia-Leis: Mr. Speaker, the Premier says, why do we not pass the Estimates. We are not getting answers from last year's Estimates, let alone this year's Estimates. The Minister misled the House over a year ago.

Some Honourable Members: Oh, oh!

Agreement Tabling Request

Mr. Speaker: Order, please. The Honourable Member for St. Johns has the floor.

Ms. Judy Wasylcia-Leis (St. Johns): Given that she said funding would occur immediately upon construction, that was part of the agreement when they undertook construction of centres and they would be funded -(interjection)- yes, they will be funded, she said on a number of occasions, will the Minister, if she is not prepared to indicate funding immediately for the centre, will she table the agreement that spells out a deal and an agreement between this Government and a day care community and a day care centre in a needy area of this city?

Hon. Charlotte Oleson (Minister of Family Services): Mr. Speaker, I indicated to the Member it is under active consideration and information will be forthcoming.

Canola Oil Industry Seed Crushing Plants

Mr. Laurie Evans (Fort Garry): Mr. Speaker, my question is to the Minister of Industry and Trade (Mr. Ernst). It relates to the canola industry in western Canada. There are seven canola crushing plants in western Canada and two of those are closed. The two in Manitoba are operating at less than 60 percent capacity and are losing approximately \$12 on every ton of canola that they crush.

Can the Minister of Industry, Trade and Tourism (Mr. Ernst) give us some idea as to what are the circumstances that have led to this critical condition in that industry, considering that it was a very viable and profitable industry until recently?

Hon. Glen Findlay (Minister of Agriculture): Mr. Speaker, I would like to just give the Member some background as to what has happened in the oilseed crushing industry. Clearly, the oilseed crushing industry is a good example of diversification and value added in this province. It creates jobs in rural Manitoba.

It has been unfortunate that the United States and Europe have seen fit to put export subsidies in place such that it is very difficult for this industry to competitively market their oil outside of this country. That is the basis of the difficulty, which is part and parcel of the negotiations in front of GATT right now to resolve those trade difficulties.

* (1410)

Tariff Reduction

Mr. Laurie Evans (Fort Garry): Mr. Speaker, I think the Minister of Agriculture (Mr. Findlay) knows full well that there is a 7.5 percent tariff on vegetable oil moving into the U.S., but no tariff essentially on the seed.

Can the Minister indicate what efforts were taken by him or the Minister of Industry, Trade and Tourism (Mr. Ernst) to attempt to get the tariff on vegetable oils reduced so that the Canadian industry could, in fact, be competitive with that in the United States?

Hon. Glen Findlay (Minister of Agriculture): A list of commodities was advanced to the United States. The Canadian contingent on the free trade advanced it, and it had canola oil on the list for fast tracking the reduction of tariffs. It has been the position of Canada that we want to do it, and it is still on the list for fast tracking of reduction of tariffs of canola oil going into the United States.

Canola oil is very well accepted in the United States. It is well known that it is sold under the Puritan label by Proctor and Gamble to a consumer that appreciates the value of that oil and is buying it in large amounts.

U.S. Production

Mr. Laurie Evans (Fort Garry): Mr. Speaker, my final supplementary is to the Minister of Agriculture (Mr.

Findlay). It relates to the fact that under the Lands Set Aside Program in the United States, canola is identified as an experimental crop. Therefore, American farmers can produce this on land of major crops that have been set aside.

Can the Minister of Agriculture give us any indication of the number of acres that are anticipated to be produced in the northern states next year and what percentage of that crop will be used to satisfy the requirements of the Velva plant in North Dakota?

Hon. Glen Findlay (Minister of Agriculture): Well, certainly the United States has recognized the value of this oil in terms of the health food of the year, recognitions that have recurred twice in the past three years.

There is no question that the United States producer looks at this as a valuable crop for the future. I have heard people from as far south as Atlanta talking about it. I have heard people from Kansas talking about it. I have heard farmers in North Dakota and Minnesota talking about wanting to get into the production of this crop. Oilseed crushing plants have been switched over from soybeans to canola in the past three years, and they are using more and more Canadian seed and crushing it in the United States.

It is unfortunate the Americans have decided to go against this, I guess, in terms of producing the crop. We are going to have to compete with them, but it is an open market in terms of getting those tariffs down and allowing us to compete directly with them. No question, they are going to increase their level of production, and we cannot stop them from producing it.

Workplace Safety and Health Inspector Re-instatement

Mr. Steve Ashton (Thompson): Mr. Speaker, we are seeing increasing evidence, day after day, of this Government's lack of commitment to maintaining adequate safety standards in this province. We have seen today the fact that they have been rolling back regulations in this important area.

In Estimates, it was revealed that not only have they been rolling back safety standards in terms of regulations, but they have actually cut the number of inspectors. They cut two inspection positions, Mr. Speaker, at a time in this province when we are faced with Solvit situations, we are faced with carbon monoxide poisonings.

My question is to the Premier (Mr. Filmon) in his capacity as the chairperson of Treasury Board. Will he now admit that it was wrong to be cutting back those two inspector positions? Will he not only reinstate those two inspection positions that were cut from the Department of Labour but seek to expand and beef up this inspection so we can improve safety for Manitobans, not roll it back like the Tories are doing?

Hon. Gerrie Hammond (Minister of Labour responsible for Workplace Safety and Health): Mr.

Speaker, I will answer the Member as I did when we were in committee. The two inspectors were specific to one area. When they were not doing those inspections any longer, those positions were cut.

Mr. Ashton: Mr. Speaker, they cut back the requirements for inspection. They cut back two positions. What I am asking—and I am asking the Premier and, if the Premier does not want to answer, I will ask the Minister of Labour. Why, given the situation that occurred at Solvit and in the carbon monoxide poisoning, will they not take those two positions and allocate them to other needed areas of inspection? Why are they rolling back inspections in this province?

Mrs. Hammond: Mr. Speaker, inspections are one part of safety. We have increased safety measures in many ways in the Department of Labour. This particular incident has nothing to do with the others.

Projectionist Regulations

Mr. Steve Ashton (Thompson): Mr. Speaker, this is my final question. I would like to table a letter from the motion picture projectionists' union in this province, which indicates another area where this Government is being lax in terms of safety standards.

I would like to ask the Minister of Labour (Mrs. Hammond), will she reconsider her decision to delicense the projectionists, in light of the fact they pointed out that there are major safety hazards involved with this profession, something she denied in Estimates? Will she now reconsider, once again, another change in regulations that is going to lessen the safety protection involving workers in the Province of Manitoba?

Hon. Gerrie Hammond (Minister of Labour responsible for Workplace Safety and Health): Mr. Speaker, new technology has come about and there is no need to inspect those—the projectionists do not do their own inspections any more. They do not do their own repairs. What we have are experts doing that particular industry now.

Rural Services Crisis Lines Funding

Mrs. Gwen Charles (Selkirk): Mr. Speaker, this Government continues to fail to support services in rural Manitoba. The only funded crisis line for rural Manitoba exists in the City of Winnipeg. Over \$350,000 is spent in the city, none in the province outside the Perimeter Highway. A person in crisis must know how to call this centre and will be lucky to have community follow-up. Will the Minister of Family Services explain why Winnipeg houses the only rural crisis line in the Province of Manitoba?

Hon. Charlotte Oleson (Minister of Family Services): Mr. Speaker, first of all, I should indicate to the Member that the shelters outside of Winnipeg each have a phone number and people can contact them.

Further to the decision to lodge the crisis line in Ikwe, that was a suggestion that came out of a group of

service providers who felt that was the best possible solution, to have a province-wide crisis line centred in that particular agency. That was why we made that choice.

Mrs. Charles: There is no provincial money going directly to crisis lines in rural Manitoba. The Interlake is an example of spending \$15,000 out of its crisis shelter budget in order to support these lines. Will the Minister of Family Services (Mrs. Oleson) indicate today why she will not fund crisis lines directly in rural Manitoba?

Mrs. Oleson: Mr. Speaker, I do not need to apologize for the funding of shelters and the family dispute area in our province. The funding for that particular area went up 47 percent this year. We build into the operating of that some funds for telephone lines.

Now that is something that we can take a look at for the future of how we fund those, but I do not think we need to apologize one moment for the work we have done in that area of this budget.

Mrs. Charles: Mr. Speaker, this Minister should apologize for not understanding the needs of all Manitobans. There are no crisis lines. Will the Minister phone the crisis lines and shelters in Manitoba today and find out where their money is coming from? It is not from her budget for crisis lines. It is from the shelter itself.

Some Honourable Members: Oh, oh!

Mr. Speaker: Order, please. Order. The Honourable Minister of Family Services.

Mrs. Oleson: I am tempted to suggest that perhaps the shelter and crisis will be able to hear the Member speaking on their behalf from there.

When we came into Government, Mr. Speaker, that particular crisis centre in Selkirk that the Member is no doubt referring to had a per diem of \$13.60. It is now \$45.00. We have committed to that -(applause)-

Manitoba ECO Network Core Funding

Mr. Harry Harapiak (The Pas): Mr. Speaker, my question is to the Minister of Environment (Mr. Cummings). The Manitoba Environmental Network has been getting requests from many public organizations, school children and industry on the environment. The Minister of Environment (Mr. Cummings) took under consideration during Estimates the consideration for Core funding. He said he would get back to us on that. Has the Minister made a decision yet if the Manitoba ECO Network will be getting Core funding?

* (1420)

Hon. Glen Cummings (Minister of Environment): Mr. Speaker, the question is whether they get Core funding or whether there are other areas for which the ECO

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Network can apply to get some funds with which they can operate. My department and I shortly will be continuing to work with them in order to see if there are areas for which they are prepared to accept responsibility that may be of use to the environmental community.

Mr. Harapiak: Mr. Speaker, unfortunately, because of this delay in getting the Core funding, the Manitoba ECO Network is finding it necessary to lay the full-time staff off on February 28. Because of this, will the Minister respond to the urgency that exists out there and contribute that Core funding at this time?

Mr. Cummings: Mr. Speaker, the Environmental Network has been in touch with my department on numerous occasions. They have been in touch with my assistant and with my Deputy, and certainly I have been in contact with the head of the network. We have not provided any funds to this point but discussions have not ended, and I would suggest that the members of the ECO Network continue to work with my department.

Mr. Harapiak: Mr. Speaker, I was not able to hear all the answers the Minister gave because of the nattering going on from the Members in front of me.

When is this Minister going to take the environment of this province seriously? A group that is providing information for all public groups, when will he come forward with the funding for this organization?

Mr. Cummings: Mr. Speaker, I think that we have just seen demonstrated why the NDP did not take the environment very seriously. They did not support these organizations to the level that they needed. Their idea of dealing with the environmental concerns in this province is to provide motherhood-and-apple-pie comments to the environmentalists and do nothing else.

Health Advisory Network Acute Care Report

Mr. Gulzar Cheema (Kildonan): Mr. Speaker, last Thursday -(interjection)-

Mr. Speaker: Order, please; order, please. The Honourable Member for Kildonan.

Mr. Cheema: Mr. Speaker, last Thursday the Minister of Health (Mr. Orchard) informed this House that the Health Advisory Network has received the report on the extended care facility. All the professionals, all health caregivers know about the report. Why is the Minister not raising the report to this House, which is extremely important for the health care of Manitoba?

Hon. Donald Orchard (Minister of Health): Mr. Speaker, the task force has reported to the steering committee. My understanding is the steering committee is seeking input and comment on the task force report. When they receive that, they will make their report to me as Minister when they are so informed to do so.

Mr. Cheema: Mr. Speaker, can the Minister of Health inform us if he had a formal discussion with the Health Advisory Network on this specific issue?

Mr. Orchard: Mr. Speaker, I have, for approximately two and a half months, been in contact with the Health Advisory Network seeking status of when I can expect the report on the extended treatment bed review.

Mr. Cheema: On Thursday, this Minister of Health said that he had no knowledge of this report. Can he confirm this House that he misled us in this House?

Mr. Orchard: Mr. Speaker, my honourable friend is the only one I know of who is capable of misleading the House when he makes that kind of a statement.

My honourable friend asked me if I had a copy and had received the task force report. No, I have not. The steering committee has received it, and it is the steering committee that reports to myself as Minister of Health. That is the reporting process.

For my honourable friend, the Liberal Health Critic, to make those wild accusations, further destroys his credibility in the health care field.

Some Honourable Members: Oh, oh!

Mr. Speaker: Order, please.

Winnipeg Education Centre Report Tabling Request

Mr. Jerry Storie (Flin Flon): Mr. Speaker, my question is to the Minister of Education. Some time ago, some months ago, I requested that the Minister table a report that was being prepared on the Winnipeg Education Centre, which delivers social work and teacher training programs to inner city residents in the City of Winnipeg, and he indicated that the report was not final.

Can he indicate today whether the report is final? If it is, is he prepared to table that for the House today?

Hon. Leonard Derkach (Minister of Education and Training): Mr. Speaker, the report has been completed in its final form. We have shared it with the teaching staff at the Winnipeg Education Centre, and also the University of Manitoba has a copy of it.

It indeed indicates that programs at the Winnipeg Education Centre are worthy of support, and indeed the staff there are doing a tremendous job at delivering programs to the students of the inner city. I would be pleased to table that report in short order.

Mr. Speaker: Time for Oral Questions has expired.

NON-POLITICAL STATEMENTS

Mr. Mark Mینenko (Seven Oaks): Mr. Speaker, if I can have leave to make a non-political statement.

Mr. Speaker: Does the Honourable Member for Seven Oaks have leave to make a non-political statement? (Agreed) The Honourable Member for Seven Oaks.

Mr. Mینenko: From today, Ukraine becomes independent. With these words, Michael Hrushevsky

pronounced Ukrainian independence on January 22, 1918. These words were part of the 4th Universal, the document, which in direct language, proclaims the full independence of the Ukrainian National Republic. This document also sets out the democratic policies which would guide this new nation. The legislators, who had gathered in Kiev that day, had assembled to begin the process of governing. However, with Soviet armies advancing just north of Kiev, the capital city, the legislators only had time to cheer the proclamation of independence. The holding of a constituent assembly had to wait for another day.

Although we all know that this independence was short-lived, Mr. Speaker, the ideals of freedom and democracy have never died. Over the last several months, we have all watched the movement towards democracy throughout eastern Europe. I join today with many people around the world in hoping that there will be a peaceful return to democracy in Ukraine, and that the independence which was declared some 72 years ago today be returned to Ukraine.

Some Honourable Members: Hear, hear!

Hon. Donald Orchard (Minister of Health): Mr. Speaker, might I have leave for a non-political statement?

Mr. Speaker: Does the Honourable Minister of Health have leave to make a non-political statement? (Agreed) The Honourable Minister of Health.

Mr. Orchard: Mr. Speaker, I know all Members will join me in supporting the kick-off of National Non-smoking Week January 22-28. We kicked it off this morning with the signing of a proclamation at Churchill High School. I think it is important to recognize what the Manitoba Interagency Council on Smoking and Health has done this year to promote National Non-smoking Week.

They have taken probably the most innovative approach of any of the provincial organizations in that they have established a contest for Winnipeg and Selkirk high school students and rural and northern high school students to develop an anti-smoking theme—Break the Habit, et cetera, et cetera. As part of the incentive for participation, they have brought to Winnipeg four members of the Degrassi Jr. High, the successful television series.

I was at Churchill High today to kick off the anti-smoking week, and I am pleased, Mr. Speaker, in a non-political way to say that the students of Churchill High were the Winnipeg-Selkirk winners of the contest. They did an excellent job. But even more importantly, high school students from Pilot Mound, in the constituency of Pembina, won the rural and northern group, and were present to accept their accolades for participating in breaking that evil, addictive habit of smoking.

* (1430)

I know, Mr. Speaker, that all Members of the House will join me in assisting those individuals who are addicted to the habit of smoking and breaking that habit this week. Thank you.

Mr. Speaker: Does the Honourable Member for Kildonan have leave to make a non-political statement? (Agreed) The Honourable Member for Kildonan.

Mr. Gulzar Cheema (Kildonan): Mr. Speaker, we are pleased on this side of the House to join with the Minister of Health in this special week, the Non-Smoking Week, which is very essential for a number of individuals. I know, Mr. Speaker, you have taken the pledge, and we all compliment. I think we should follow your advice on that, I think we should follow your lead on that.

I hope that we can control this smoking. Mr. Speaker, smoking affects all of us. Smoking affects us at least in 22 different ways, by attacking the health, either through the lungs, or to the unborn child, and also in the cardiovascular diseases. There is an estimate of at least, in 1982, there were \$7.2 billion spent, either in a direct cost or in an indirect cost, related to the smoking. It is extremely essential, and we will do everything possible from this side of the House to help the Minister of Health (Mr. Orchard) and all the Manitobans to kick their bad habit and contribute to our economy in the long run.

Mr. Speaker: Does the Honourable Member for Logan (Ms. Hemphill) have leave to make a non-political statement? (Agreed) The Honourable Member for Logan.

Ms. Maureen Hemphill (Logan): Mr. Speaker, I just wanted to put on record for the House a few words about a very distinguished person, Hugh Ross, who was the founder of the Winnipeg Symphony Orchestra. He died early yesterday.

I think we all recognize that he was a very noted organist and conductor, his career spanned about 60 years, and that he founded the Winnipeg Symphony Orchestra after leaving England, before he went to the United States. He prepared choruses with distinction for many great conductors, including Leonard Bernstein, Albert Webster, the managing director of the New York Philharmonic said, and he had a very long and important relationship with the New York Philharmonic.

He is going to be missed very much. He made a very major contribution to the cultural life of Winnipeg and we just want to remember it at this time.

ORDERS OF THE DAY

Hon. James McCrae (Government House Leader): Mr. Speaker, I think if you were to canvass the House you would find that there is agreement that after the Estimates of the Department of Industry, Trade and Tourism we would return to the Department of Labour and that, following Family Services, we would proceed to the Estimates of the Department of Education and Training here in the Chamber.

So Mr. Speaker, I would move, seconded by the Honourable Minister of Highways and Transportation (Mr. Albert Driedger), that Mr. Speaker do now leave the Chair and the House resolve itself into a Committee to consider of the Supply to be granted to Her Majesty.

MOTION presented and carried and the House resolved itself into a Committee to consider of the Supply to be granted to Her Majesty with the Honourable Member for Minnedosa (Mr. Gilleshammer) in the Chair for the Department of Industry, Trade and Tourism; and the Honourable Member for St. Boniface (Mr. Gaudry) in the Chair for the Department of Family Services.

* (1440)

CONCURRENT COMMITTEES OF SUPPLY SUPPLY—INDUSTRY, TRADE AND TOURISM

Mr. Chairman (Harold Gilleshammer): Order, please. I call this section of the Committee of Supply to order to consider the Estimates of the Department of Industry, Trade and Tourism.

When we last sat, the committee had been considering item 2.(b)(1), Sectoral Development, \$1,169,200—the Member for Seven Oaks.

Mr. Mark Minenko (Seven Oaks): Mr. Chairman, I would like to ask some more questions, perhaps the same question that I posed to the Minister on Thursday and I hope maybe in the last few days he has had an opportunity to discuss this matter further.

I am just wondering if the Minister could outline how often the sectoral officers do their visits to industries and the sectors for which they are responsible.

Hon. Jim Ernst (Minister of Industry, Trade and Tourism): Mr. Chairman, I think, as I indicated the other day, they are in regular contact with the industry. The intent is not necessarily to visit every single business in the Province of Manitoba but to be in regular contact, to make sure that they have a feel for what is happening in the industry.

Regular contact in some industries may be once every six months. Regular contact in some industries may be once a week, depending upon the industry, what is required and the state of that particular industry. So to suggest that they have a call schedule that requires them to visit a number of businesses on a specific regular basis does not allow the flexibility into the department that it requires and we do not have a fixed level of visitation, as the Member suggests we should have.

Mr. Minenko: I am certainly not suggesting it to restrict the operations, but I would certainly suggest that, as the Minister suggested, the whole issue of flexibility—but if this area is really the sharp end of the stick then I certainly would have expected some sort of a regular pattern to their activities in order to detect trends and so on.

With that aside then, I would like to then look to one of the activity identifications of this particular sector and ask the Minister, how is the contact maintained with federal offset program staff?

Mr. Ernst: Firstly, Mr. Chairman, we have one Sectoral Senior Development Officer, Mr. Bob Jack, who in fact does maintain a liaison both with bidders with respect to those major contracts, takes them around, helps them with dealing with the federal people, soliciting information, making sure that the bids and so on are timely and meet certain specific criteria, tries to help them in terms of introducing them to the correct people of the federal bureaucracy in order to get appropriate information and focus.

Of course, in addition to that now with the Ottawa office operational and Mr. Blackwood in place there, he will also be working in that area quite a bit along with the procurement officer who will be hired to help staff that office.

Mr. Minenko: Okay, we heard last week from the Minister that he had not heard of the research being conducted by Central Plains and nor was he aware of other research that was being conducted in other parts of the province.

I understand that the Minister's view toward it is whoever wants to do economic research that is fine with them, and his department has their particular own agenda. I can appreciate that position, but I am still quite concerned that there is no one the Minister seems to have in place to either provide assistance, advice or offer suggestions and co-ordination perhaps in this whole area of economic research being done throughout Manitoba.

Having said that, I would still like to ask the Minister what his research, perhaps coming from this section in his department, is with respect to the future of food processing in Manitoba. What are some of the issues that he feels need to be addressed, and how does his department intend to address those issues?

Mr. Ernst: Mr. Chairman, first of all, as I understand the matter it is between the Central Plains Community Futures Corporation who contracted with the Manitoba Research Council, Canadian Food Products Development Centre branch, to conduct a study. The Manitoba Research Council derives—first of all, it is an arm's length organization from Government, although we do provide a significant grant to it and do appoint the board of directors. The Manitoba Research Council obtains about between 50 percent and 60 percent of its revenue from private consulting contracts. It deals with a wide variety of industry people on a regular basis throughout the year. There is no way that any Minister—I do not care who it is—is going to be aware of every single contract the Manitoba Research Council undertakes. That is not being realistic.

* (1450)

I also understand, further to our meeting of last Thursday, that in fact the steering committee of this group had not seen the report which the Member for

Seven Oaks (Mr. Minenko) had referred to. In fact, it had been leaked, I gather, to him and to the Agriculture Critic who raised the same questions with the Minister of Agriculture (Mr. Findlay) during Agriculture Estimates. The fact of the matter is, as I indicated on Thursday, that no decision has been taken as of yet. Until such time as that has been taken then the matter is advanced either to Government or wherever, would we have reason to be in contact with it or reason to know as to what they are proposing to do.

With respect to the food processing industry, obviously value-added food processing is one of the areas that we wish to pursue in terms of niche markets. As I indicated I think at the beginning of Estimates, we had aerospace, micro-electronics, health industry products, and food processing as sort of the four major areas of focus for our department's initiatives in terms of niche markets for Manitoba. We see opportunities there.

However, in the case of Portage la Prairie in particular, they have a significant problem with respect to infrastructure there that has to be addressed before any wet processing industry could begin to think to locate there. At the present time, their infrastructure is inadequate to serve present demand. To increase that demand would be, without making major impacts on that infrastructure, foolhardy, Mr. Chairman.

We are also addressing the question of the infrastructure as part of the SDI initiatives, if and when they come about. Until such time as we are able to resolve that, then Portage la Prairie with regard to wet industry has a significant problem that is difficult to overcome.

At the same time, I think we indicated too that the question of the Crow offset payment will have a significant impact on the secondary processing of particularly meat products as well as other products, canola being another that may well benefit from such a payment.

There are matters on the horizon. We are working with a number of industries of course to replace for instance the facility that will be lost in Campbell Soup in February or March of 1991. We are working with industry sectors there to try and find suitable replacements, as well as a number of other initiatives. A good example of that would be the oat processing facility that did go into Portage la Prairie just recently as another value-added item.

Springhill, we talked about as well last week. We are certainly looking to see that we can maintain that facility with the value-added component to it. I do not have four I can pull out of my hat and say we are opening these tomorrow, but we are well involved in the industry and have a high degree of focus on it.

Mr. Minenko: Perhaps one of my final questions again is—because we have quite a bit more to cover this afternoon—the Minister announced four areas that his department is looking at as expanding our capacity in Manitoba. In order to be able to fulfill that capacity or develop that capability, we obviously need personnel. One of the concerns that has been expressed to myself

is that people in some of the industries being set out by the Minister, some of the employers, have had to go not only to other provinces in Canada but in fact overseas to find suitable people to work in those industries.

Can the Minister advise us what initiatives his department has taken, either by themselves or in co-operation with the Department of Education, to ensure that Manitobans will indeed be in the position to take advantage of some of these positions as they become available and as the new industries develop?

Although I understand, having attended the Manufacturers' Association Conference last year where people from the health initiative were out and where people from the industry that have converted from what they used to do and applied into a health situation, I do not think those people are looking to expand or need employees who have different skills. My concern is that we do not start importing workers to take presumably high-paying jobs in these industries.

I would like to ask the Minister what initiatives he has taken and looked at, either his department or with Education and Training, to ensure Manitobans take those jobs?

Mr. Ernst: Firstly, Mr. Chairman, the Skills Training Advisory Task Force, contained in the Department of Education and Training, is charged with the responsibility of trying to meet industry demand for jobs with trained workers. Now that is very difficult to do, particularly in the longer-term stream. There traditionally has been, and I guess maybe there always will be, some either oversupply or undersupply of trained workers for specific industries depending upon how well those industries do over a period of time and how quickly the training people can be responded to. Of course, our department is very involved with that. We do a considerable amount of liaison with industry in order to try and meet those requirements.

With regard to the garment industry, which is one where there is a significant component of new-immigrant labour, there is a problem in trying to balance off. There is a constant need for people in that industry. The last I heard was about 800 jobs going begging because they cannot find people to work. Their concern of course is they would like to import—for the industry's concern—all of those workers immediately, trained sewing machine operators in particular.

Our view has been that while we respect the need for workers, we also respect the need that existing Canadians have to have employment opportunities and we try and put a blend together between training existing Canadians to work in those trades and blending those with import workers so that the industry does not starve itself because of a lack of labour. Not a particularly easy thing to do, but nonetheless we have been working together quite closely with Education and Training to try and balance the need for workers with the training requirements that they will have in order to obtain those jobs.

Mr. Minenko: This is a supplemental resulting from the Minister's answer then. You say you are working

with Education and Training. I am just wondering if the Minister can highlight how his department is going to be working.

* (1500)

Mr. Ernst: I could indicate, Mr. Chairman, that our department sits on the task force of the training initiative, and our people, our sectoral officers, and everybody else quite frankly in the department who has contact with industry discusses the industry's problems with them from time to time, including the question of labour. That feedback comes back to the department and is addressed to the Skills Training Task Force on a regular basis, so we do provide that feedback from industry.

Before I go any further, Mr. Chairman, there was a request last Thursday with regard to the Transportation section of the Minister's office. I can advise that the budget was at \$29,000, and the actual for '88-89 was \$34,200 of which \$8,100 was automobile expenses related to the Minister and the Deputy. I can table that with the committee.

Mr. Leonard Evans (Brandon East): Mr. Chairman, I thank the Minister for that information, but I also thought we were going to get a list of the various trade missions and industry missions that were taken by yourself and/or the senior staff. I understood the Minister had undertaken to do that.

Mr. Ernst: Mr. Chairman, I indicated I would pull that information together. We have not yet been able to do it in time for today's meeting. I will be prepared to table that as quickly as we can get it prepared.

Mr. Leonard Evans: That would be fine, but I would trust we can get it within the next few days. As I understand it, we are going to wind this up hopefully by five o'clock, although we could go on. We could go on for six weeks as we have done previously, but we do not intend to do that although there are a lot of questions, and frankly we could indeed spend many a day asking some fairly good questions, hopefully in a positive way, and do our job as Members of the Opposition.

I am going to just touch on a few things. Aerospace industry, I do not know what priority the department is giving to this industry in this division, but could the Minister update us on any general prospects in this particular industry? There have been some developments. We have been disappointed of course with the CF-18, but then subsequently there was the CF-5 contract and other contracts.

Particularly, I was wondering if the Minister had any comment about the recent news report about Boeing laying off, I do not know, 5,000 workers. This may all be in the Seattle area, but I do not know. I wonder whether the Minister had that kind of information.

Mr. Ernst: We have had no notice of any layoffs in the Manitoba plant, although I am surprised that Boeing would be laying anybody off at the moment considering

their order book is jammed. I happened to visit the Boeing plant last summer and found that they were in fact significantly behind schedule in terms of delivery of aircraft, plus the fact I guess they had a strike. That may have had something to do with that. They were in a strike situation for six weeks or better this past fall, and that may have had some kind of impact.

In terms of the aerospace industry itself, Bristol of course is running at optimum levels of employment of late. The CF-5 contract is a very significant contract for them. They are extremely pleased with the level of activity that they are getting. We have a number of other companies involved in the aerospace industry whom I am going to lead in a trade delegation to Seattle, in March I believe it is, to talk to Boeing about some potential supplier networks out of Manitoba, not just at the Manitoba plant, but in fact to other Boeing operations elsewhere in Canada and the U.S.

We have a very significant aerospace sector in Manitoba. We have very good quality people, contractors who can in fact provide good product to companies like Boeing. It is our intention to try and meld, or marry if you will, our industry players as contractors to the major contractor Boeing and others in terms of supplying those products to them.

Quality control is good. Expertise is good. Experience is good. We want to see them expand their horizons somewhat, and I have taken a personal initiative to try and do that.

Mr. Leonard Evans: Just going on to the apparel industry, the Minister did say earlier about the continuing problem, I guess it has been going on ever since time immemorial, about lack of labour, the lack of an adequate number of workers. However, we also know that there is a lot of competition in the marketplace, cheap imports from all over the world. What is the state of the local apparel textile industry, given the fact that there is a great deal of competition? Has the industry grown in Manitoba at all in the last year or two? Is it standing still or is it shrinking?

Mr. Ernst: From my discussions with the industry, which I have on a fairly regular basis, the Manitoba industry, in terms of the low, first of all, Manitoba's apparel industry by and large is not in the low-cost market. They are not trying to compete with long runs for workwear and things that are produced either in the offshore markets or in some of the huge plants in the U.S. where they have these very long runs. The strength of the Manitoba fashion industry, by and large, has been in its ability to quickly react to changing market conditions and to seek out niche markets in terms of, in many cases, high fashion types of apparel.

The industry I think has certainly maintained its own in terms of—I suppose moderate growth has occurred. There have been a number of new companies come back into the market, looking again at these niche markets. We have some entrepreneurial immigrants who have come here to get into the market as well, and we think we still maintain a very vibrant market. They are very bullish of course on the opportunities that they have, and they have been in the U.S. market for a long,

long time in terms of their export sales, so they seem to be bullish. We are working with them on a regular basis, and I do discuss the matters with the Manitoba Fashion Institute every couple of months or so.

Mr. Leonard Evans: On the electronics industry, I think this one of your priority areas. UNISYS is one of the bigger manufacturers. UNISYS some years ago was able to sell some product to MDS and we understood there would be an expansion on that account. I believe it took place. I am just wondering, could the Minister report on the state of this industry here. I am not expecting the Minister to know all the details of individual company operations, I do not expect that, but just the general impression. Are you satisfied with the development that is occurring in electronics? I use UNISYS just as one example. I know there are some others.

Mr. Ernst: In terms of Manitoba's exports, agricultural products of course still remain the No. 1 export in the Province of Manitoba, but interestingly enough, something that I did not know when I became the Minister, and I am sure most Ministers would not know when they came to that position, is that computer and computer-related products are our No. 2 export in the Province of Manitoba.

We do very well, as a matter of fact, not only from the hardware standpoint, but from a wide variety of software people who have developed some extremely unique products and who continue to work in the R and D sector in terms of developing new software products for applications in the marketplace. It is growing, as a matter of fact, on a regular basis, ably assisted by the InfoTech component of our department who works with those software people on a regular basis.

UNISYS of course is a major manufacturer of products. They operate three distinct different divisions here. They operate a defence products division which has had some excellent contracts. They had the Canadian Frigate Program for instance for their operating systems as opposed to weapons systems, you know, the ones that run the heating and the air conditioning and so on on board ship. They had the computer contract for that. They have a similar one for the U.S. Navy for a program there and have in fact employed a significant number of higher-paid people such as engineers. I think their engineering staff grew from six to 60 in about a year and a half or so when they started getting these contracts.

From that point of view, I am quite pleased that we can start to see some of the R and D components related to those things starting to be done here in Manitoba as opposed to simply just churning out the hardware. The same of course goes with the software that fits into these things, again a major focus area, one that we want to continue to work on.

We have had a number of contacts within the industry, both for potential new plant operations—I guess the Hughes Aircraft Proposal for Manitoba would also fit into that category in terms of the sensing devices that they are proposing to build here in Manitoba and to

be the major centre for that activity within their company, so that again sort of builds on the existing.

* (1510)

We do have other contacts that we have made, a couple of Japanese companies who are looking at potential developments of manufacturing facilities, interestingly enough here, particularly to feed the U.S. market. I guess they feel a little better level of comfort with Canadians than they do with sort of being in the U.S. market directly, and with of course free trade they have that opportunity to ship, once the product is at least 50 percent value added in Canada, free into the U.S. with no tariff. They are I think pleased that the potential exists here. We are certainly hopeful we can convince them that Manitoba is a good place to do that.

Mr. Leonard Evans: Mr. Chairman, I am not going to go into any further questions on that, but I wanted to go on to another program which I believe is under the Industry & Trade Division. That is the Business Immigration program.

Mr. Chairman: On Section (1), Sectoral Development, shall the item pass—

Mr. Minenko: I just have a couple of quick questions then to wrap it up.

Mr. Leonard Evans: Sorry, just as a point of order, which section is it specifically?

An Honourable Member: It is in the next one under Investment Promotion.

Mr. Leonard Evans: Oh, I see. It is the same item. Okay.

Mr. Minenko: I just have a couple of quick questions to wrap up. I would like to—with respect to aerospace industry. One of the comments that has been made to me is, because of the nature of the activity, there is not really all that great a need to have industries located right here in Winnipeg. We are sort of developing a general aerospace group area.

Can the Minister confirm that is indeed a possibility of establishing aerospace support industries, parts industries, outside the perimeter of Winnipeg and whether the department is looking at some of these initiatives and promotion of places perhaps like Gimli, Beausejour, et cetera?

Mr. Ernst: As I indicated on Thursday, the department points out relative opportunities for companies to locate throughout the province. If you want to go somewhere where there is just a fantastic airport with great infrastructure facilities, you should go to Churchill because it has probably the finest airport facilities in Manitoba but not everybody wants to locate in Churchill obviously. The companies themselves will pick and choose. We tend to influence them somewhat by pointing out opportunities for them elsewhere in the province. We do that on a regular basis with most

industries where they need not necessarily locate directly in Winnipeg.

Mr. Minenko: I am not quite sure how the Minister answered the question. Perhaps upon reflection of Hansard, I will be able to follow that up in concurrence.

Finally, the whole issue of environmental industry and sustainable development, I think the Minister's answers to questions were again sort of not quite very definite, certainly not encouraging. I am just wondering if the Minister can advise what initiatives he and his department have in place in co-operation or without the co-operation of the Department of Environment to encourage and provide assistance to industries who have an environmentally safe aspect to them such as dealing with contaminants or recyclable industries or things like this so that we are not looking at shipping south of the border or west or east.

Mr. Ernst: Mr. Chairman, firstly when they say the Government in general has adopted a sustainable development strategy, that is its policy. No grants or loan activity is given to any company that does not meet sustainable development activity.

On the one side, they are covered. They have to comply or they do not get any Government funding. On the other side, in terms of encouraging industries that are in fact producing products that will assist industry in general to meet the sustainable development strategy, we have worked with them.

We were quite involved for instance in setting up the Environmental Industries Association, which is headquartered in Winnipeg. We have direct input into the sustainable development. We have a staffperson seconded to the sustainable development unit as a matter of fact and are working very closely with the federal Government in terms of attempting to finalize the Centre for Sustainable Development for Manitoba.

Mr. Minenko: Just a final note then on this section, I would like to ask the Minister later on when we come to grants or something whether he can set out what the qualifications are that they look for with respect to the sustainability—if that is such a word. If his staff can find that, I would appreciate it. It will save me time later. This item can pass.

Mr. Chairman: Item 2.(b)(1)(a) Salaries, \$860,200—pass; (b) Other Expenditures, \$309,000—pass.

2.(2) Investment Promotion \$806,000, (a) Salaries, \$359,300—the Member for Seven Oaks.

Mr. Minenko: I would like to touch on what the Member for Brandon is going to be looking at questioning as well, which is the whole issue of business immigrants in Canada and specifically into Manitoba. I understand there are three programs in which they may qualify, as well as in the federal documents.

It sets out in their Guide to Canada Business Immigration Program the provincial role in this program. I do not know if the Minister has those specifics, but I am just wondering if he could perhaps advise us as

to how the Province of Manitoba meets the roles as set out by the federal Government, and what they are doing with respect to that aspect.

Mr. Ernst: In general terms, Mr. Chairman, for business—you are talking about now the Immigrant Investor Program. The provincial Government's involvement in that is it receives and reviews proposals that are made to the federal Immigration Department. In reviewing those proposals, the principal object is to determine that there is economic benefit to Manitoba and within the guidelines as established by the federal Government. Once that is determined, then these proposals are then forwarded on with Manitoba's comments with respect to them.

Mr. Minenko: One of the roles that the federal Government sets out in this guide—I guess you have it—is some criteria to be met by the business immigrant. Has the department set that criteria to be met? Can the Minister perhaps provide us with a copy of the criteria that they have, if they have set it?

Mr. Ernst: Yes, Mr. Chairman, we do have a set of guidelines, and we will be happy to provide those.

Mr. Minenko: Okay, can the Minister advise us when we could receive them. Perhaps this is something for a concurrence motion?

Mr. Ernst: The indication is we could provide that tomorrow or the next day.

* (1520)

Mr. Minenko: One of the comments just recently—actually this weekend the Law Society of Manitoba sponsored an immigration seminar. One of the aspects to the program was looking at exactly this type of immigration into Manitoba. I understand from statistics that I have been able to compile that the number of people qualifying or coming into Manitoba pursuant to the Business Immigration Program is relatively low.

One of the questions that arose was that Manitoba—that some time ago, presumably when the program started, all the provinces required some sort of business plan set up before an immigrant could set up shop here in Manitoba. I am just wondering whether the Minister is aware that other provinces have cancelled that particular requirement. Does this Government intend to re-examine that requirement in light of the changes in other provinces?

Mr. Ernst: I am advised, Mr. Chairman, that there is a conditional visa program which does not require a business plan. We do the same thing. We have to compete with other provinces. On the conditional visa program, we do not require a business plan.

Mr. Minenko: Under what conditions then does the Minister's department require a business plan from business immigrants?

Mr. Ernst: Mr. Chairman, the conditional visa type thing really gives the entrepreneurial immigrants sort of a

year or two to find an appropriate business to get into and so on but, where a visa is issued on the strength of an entrepreneurial immigrant coming in to do a specific thing, it is based on the business he proposes to either start up, rejuvenate or whatever. That business plan forms the basis upon which the visa is granted.

Mr. Minenko: What class of business immigrant would that then apply to? I understand there are three classes, so what class would that particular aspect apply to?

Mr. Ernst: Entrepreneurial immigrants.

Mr. Minenko: One of the problems cited with respect to the whole operation of this program a couple of years ago in an article in the Free Press was the inability of any of the Governments to track where these people actually end up settling and where they actually set up operation. What is the Minister's policy with respect to—I also understand that the conditional permit or visa has to be signed off by a provincial representative, presumably at some senior level. I am just wondering if the Minister can advise as to what the policy is of this Government with respect to signing off conditional visas.

Mr. Ernst: Mr. Chairman, we are not in the habit of signing off visas unless the person is here living and working. However, once that occurs, they have every right that you and I have as Canadian citizens. If they want to move somewhere else in the country, that is their choice, and we cannot do anything about that. It is unfortunate but it does occur from time to time. Again it is a free country, and I do not think any of us here at this table would want to restrict the rights of other Canadians as to where they can or cannot work, live and carry on their lives.

Mr. Minenko: Who signs off these conditional visas for this Government?

Mr. Ernst: The Assistant Deputy Minister of Industry and Trade.

Mr. Minenko: What is the policy with respect to signing off conditional visas for business immigrants who had originally intended to settle in another province? Does this Government sign off those visas should they establish themselves in the Province of Manitoba?

Mr. Ernst: We are not sure. We have never had a case to do that. If and when it arises we will have to address it, but up to this point we have not had to.

Mr. Minenko: Is there any interprovincial agreement with respect to this signing off of visas?

Mr. Ernst: The general terms of the conditional visa is they must preselect where they want to go in the country. If they preselect Manitoba, for instance, then that is where they have to go. That is where their activity has to occur. If it does not occur in Manitoba, then they have breached the conditions of the conditional visa, and whatever results from that results from that. There is no need for an interprovincial agreement because they have to preselect in advance.

Mr. Minenko: A final question is I think in this whole section, although again other questions perhaps during concurrence will arise, as part of the expected results of this particular division, it cites here that we would want to attract 40 entrepreneurial immigrants investing \$4 million to \$5 million dollars in Manitoba-based enterprises, as well as a provision for \$50 million in the Investor Class program funds. I am just wondering if the Minister can advise us, seeing that we are a couple of short months away from the fiscal year, how has that objective been met. How close are we to meeting that objective?

Mr. Ernst: Mr. Chairman, in 1988 we had 47 entrepreneurs visaed, with a total of approximately \$20 million in investment. Again it is sometimes difficult to sort of push them in one ear or another, and the thing might be a little offset from year to year, because you start working with somebody and it takes forever and a day sometimes to get a visa through. While your statistical data deals with people that you are working with, the actual visaed entrepreneurs happen when they happen.

You are working with somebody for two or three years and spending a lot of time on it but, by the time their visa actually gets issued, it sometimes takes that length of time. We would like to see a lot more, quite frankly. I think all of us would like to see more in that area, but we do have a client working list, for instance, in our Hong Kong office at the moment of about 500 or a little more than 500 whom we are working with.

Now they are not all going to be successful and so on, but when you say we are getting maybe 10 percent of those on a yearly basis sort of visaed and into the country it just takes a long time. The Canadian commission in Hong Kong for instance, it is a minimum of one year before a visa gets issued virtually under almost any circumstances. They just do not have the staff there, unfortunately, to handle the kind of workload that is being put on them.

Mr. Minenko: I have a final question then. Dealing with the investors program, I understand that none of the other provinces have successful funds going. I understand Saskatchewan has a relatively successful fund where quite a number of investors have placed their money in that for investment in whatever. I was just wondering if the Minister could advise us as to what status Manitoba is at with respect to developing fund from the investors section of the Business Immigration Program.

Mr. Ernst: Mr. Chairman, we have about 10 venture capital funds in the Province of Manitoba that are funded through the Immigrant Investor Program. At the present time, there are another dozen or so specific projects that are being funded under the Immigrant Investor Program. We do not see a need for the Government to get involved.

In terms of success, quite frankly, the Saskatchewan Government, for all the hoopla that you get, our information is first of all that it is not guaranteed by the Province of Saskatchewan, although it is being sold

from time to time, we understand, on the basis that it is guaranteed by the Province of Saskatchewan. It is a \$100 million fund. I think the level of investment to date is somewhere between \$20 million and \$30 million, and it has been on the market for a year. So I am not so sure that you can really classify that as successful.

At the same time we have, for instance, the Canadian Maple Leaf Fund, which is a Manitoba fund, has been able to subscribe its full amount within days of its being offered so far. Whether that will continue, we do not know.

Quite frankly, immigrant investors are getting a little more selective. They are taking a little closer look now that there has been some experience with regard to these funds. There will be warts, shall we say, from time to time as those funds continue, and there will be problem areas where people will be unhappy because of the way their money has been treated.

That, generally speaking, we do not anticipate being a problem in Manitoba, because we have kind of gone a little bit slower in this whole matter than some others who kind of rushed headlong into it. So we think our people who have been investing so far in funds related to Manitoba will be reasonably prudent in the way the funds are invested. They are very reputable people who are involved in these funds, so we do not think there should be a problem.

* (1530)

Mr. Minenko: One truly final question in this area, can the Minister undertake to provide us with a list of these funds, the addresses which are available and any terms and conditions of these funds some time later this week?

Mr. Ernst: You bet.

Mr. Leonard Evans: On a point of order. I do not how we are going to get through by four o'clock at the rate we are going, and I am not trying to cut off any questions.

I have one question, Mr. Chairman. Where is the section dealing with grants to regional development organizations, or is that no longer in this department?

Mr. Ernst: It is under the Department of Rural Development.

Mr. Leonard Evans: I see a smile on the Minister's face, and I am not so sure what that all means. There used to be a community and corporate relations branch, I believe, and you had the Regional Development organization money in there, so could I ask this question then of the Minister? There are no officials of the department working outside in specific regions or co-operating with specific regions, except I suppose for specific industrial projects, whether it be a hog plant in Neepawa, an agricultural implement plant in Portage?

Mr. Ernst: We operate a Brandon office, Mr. Evans, I am sure you are aware of that. We have a Development Officer there, Mr. Steve Davidge, who I am sure you are also familiar with. We also have an officer in

Thompson, I believe. Of course, all our department officials, regardless of where their office happens to be located, do work throughout the Province of Manitoba.

Mr. Leonard Evans: Of course I realized you had an office in Brandon, but I was not clear from the previous answer whether that too, for some reason or other, was being transferred or had been transferred over to the Rural Economic Development Department.

Well, the Member for Seven Oaks (Mr. Minenko) asked some of the questions I was going to ask, and I am not going to go after that, except I wanted to know about the Rotterdam office because I see in your last annual report reference was made to it trying to promote European capital investment in Manitoba. I was wondering if the Minister could update us on what has been happening in this relatively new office, although it has been around now a couple of years. Has there been much success? Have we attracted some European entrepreneurs to Manitoba?

Mr. Ernst: Yes, Mr. Chairman, the Rotterdam office has been working quite diligently, as a matter of fact. They have had an opportunity to be involved in a number of companies right across the main part of Europe, Western Europe at least anyway. Last year I believe there were 22 cases which were successfully concluded, and we have had people immigrate to Canada investing money and so on—22.

Mr. Leonard Evans: I can appreciate the fact that there is not the same pressure in Europe as there is in Hong Kong. There is a very special situation in Hong Kong, as we all know about. I guess my question to the Chairman is, is the Minister saying that he is satisfied with the operations of that office, at least with respect to attracting Europeans?

Mr. Ernst: What is happening in Eastern Europe at the moment, I do not think anybody can predict what the end results of that will be and what opportunities will be presented in terms of immigration, particularly entrepreneurial immigration.

Contrary to a lot of popular opinion, there are people with money in the Eastern Bloc who may wish to become involved in terms of immigrating and becoming an entrepreneur in Canada. In addition to that of course, because just the general pressures of Europe, the population and so on, there are people who are looking at potential involvement in North America. At the same time, when they see the sort of polarization of sort of Europe 1992 and Fortress North America, if you will, under the Free Trade Agreement, both of which are kind of perceptions only I think from as near as we can tell, there is a potential for one to want to get involved in the other just to protect their future markets and/or get into, particularly wanting to get into the U.S. market through some other opportunity, yet feel more comfortable, if you will, with Canada as opposed to the United States.

So we have had both things coming forward. We would like to see more, quite frankly. We know that

historically we are familiar with European immigrants, particularly to western Canada. In the overall scheme of things, I suppose they may adapt better to our way of life here than people who come from a sub-tropical climate, for instance, who might find it very difficult.

In a number of things we are working on, we would like to see our horizons expanded a little bit in terms of Europe. We are looking into some ways and means we can do that at the moment.

Mr. Leonard Evans: So I gather that the Rotterdam office will be continued on for the indefinite future.

Mr. Ernst: Well, our presence in Europe will continue on into the foreseeable future, yes. Whether it is that particular one or some other configuration or that plus something else, we are not too sure at the moment. We are working on a project there.

Mr. Leonard Evans: In view of the time constraints, then I would suggest we pass this item and go on to the financial programs.

Mr. Chairman: Shall the item pass?

Item 2.(b)(2)(b) Other Expenditures, \$446,700—pass.

Item 2.(c) Financial Programs: Provides financial support, equity or incentives to companies involved in manufacturing, processing, research or commercial development of technological ideas.

Item 2.(c)(1) Salaries, \$523,400—the Member for Seven Oaks.

Mr. Minenko: Yes, shortly after the Government took office, I understand they received a Price Waterhouse report with respect to a review of the Government's business development programs. In there was a list of recommendations with respect to some of the almost 80 programs and half a dozen or so departments of Government. I am just wondering if the Minister can advise us what status the recommendations are at, at this time.

Mr. Ernst: Mr. Chairman, when the report was done we agreed with some, we did not agree with some, but what we did do as other department's have done is prepare an action plan which is presently before the Management Review Committee of Cabinet. They are in the process of reviewing that.

Mr. Minenko: Without revealing I presume some Cabinet secrets, I am just wondering if the Minister could advise us as to what the general thrust of his particular department is. I presume it is the lead department of all these grants that are geared towards promotion of an industrial activity in the Province of Manitoba.

* (1540)

Mr. Ernst: There are very few grants associated with this activity. Primarily it is loans. There is a perception out there that somehow Government is shovelling the

money out in terms of grants. In fact in most cases now, grants are very limited, mostly in terms of studies, as cost-shared participation in studies, but the physical type of financing that goes on is now not in the form of grants but primarily in the form of repayable loans.

Mr. Minenko: That is the general thrust of the changes with respect to the recommendations of the Price Waterhouse report?

Mr. Ernst: I did not say that. I said that has been the general thrust of the department at the present time. That was quite apart from Price Waterhouse. That is more a philosophical approach of the Government of the Day, I suppose, than what was done previously. I cannot obviously tell you what the department's action plan is until such time as it is approved by Cabinet.

Mr. Minenko: Again, although there are lots of potential questions throughout this whole area with respect to accountability, perhaps I would just like to ask a specific question. Has the department changed any of the rules and regulations with respect to accountability for grants and loans and so on?

Mr. Ernst: Let me say first of all that it is not so much accountability as security for taxpayers' money that is being put out in these cases. In days gone by, security was not necessarily a major factor. Today it is. We will not do it unless we have in our view adequate security, security in the way of real properties, security in the way of reasonable evaluation of assets, equipment and things of that nature. Because a machine is \$100,000 new, it may only be worth \$50,000 on a distress sale market. That is what we will base our security on, not on the \$100,000.00. So we have gone some considerable way in terms of ensuring that we have security for the money that we advance.

Mr. Minenko: Out of the report provided by the OECD called Education, the Economy and the Change in Society, there lists a number of recommendations with respect to education and training and the economy and how various countries should deal with this particular issue, which is becoming that education is indeed a lifetime endeavour and we should be looking at it. I understand that General Motors in Toronto spends more money on education and training than the University of Toronto does. I am just wondering whether the Minister's department has seen this, has reviewed this document, and are they indeed looking at developing any grants, loans or other provisions to encourage training, upgrading and so on at the job site?

Mr. Ernst: By and large, directly the department is not doing that, nor does it contemplate doing that. There are existing programs both in the federal Government's sphere and in the provincial Government's sphere under Education and Training that adequately deal with those matters. What we do is our officials direct interested parties or people in need of assistance in those areas through to the proper departments either on the federal or provincial basis.

Mr. Minenko: Finally, the Business Start Program, when can I apply for it or when can any Manitoban apply for this program?

Mr. Ernst: I am just advised that we have just received back the agreements with the banks and credit unions who will be delivering the program in the field. They have got one or two changes that they feel are necessary to the agreement. We are working those through with them at the moment, so as soon as those are done I would suspect—

Mr. Minenko: I thought you did that last May, June, July, August.

Mr. Ernst: Mr. Chairman, until such time as these things are approved by the Legislature, you cannot—we did have some preliminary meetings with them and so on. Until such time as we have, and it is an unfortunate way of doing things in the Government, I thought we could have carried out some of these things prior to the formal passage of the loan Act, but I was advised that the way the bureaucracy works is that that is not how it is done. We have to wait. I would have thought we could have printed all the application forms and got all of these things done and so on well in advance so that when the loan Act was passed, away you went. I suppose if it did not pass, then they are stuck with all this stuff and what are you going to do with it? In any event, regardless of what has or has not gone on in the past, that is where we are at. We are weeks away from making the formal announcement.

Mr. Leonard Evans: I had earlier said pass on item (1). I was going to go from (1) to (2) and then to (3) which is the substantive, it is just a detail.

Mr. Chairman: Item 2.(c)(2) Other Expenditures, \$38,900—pass; item 2.(c)(3) Programs, \$6,130,800. This is comprised of a number of sections.

Item 2.(c)(3)(a) Manitoba Industrial Opportunities, \$3,300,000—the Member for Brandon East.

Mr. Leonard Evans: I was wanting to know from the Minister whether last year's budget of \$3.4 million was totally utilized?

Mr. Ernst: Mr. Chairman, the amount of money of course located there is not the amount of money that is loaned but in fact the cost of loaning it. So part of that money is committed prior to the year because of existing loans for which there is an interest cost. Those loans made in '88, '87, '86, whatever, that are ongoing have an interest cost. That is included in that amount as well as an estimate of approximately how much of that interest cost is going to be for new programs that are entered into. Now depending upon the cash flow, depending upon projects when they come on stream and so on, that number will alter not insignificantly as the year goes on.

So we do not have an actual expenditure number to give you there, but the expectation is it probably was not all used up.

Mr. Leonard Evans: Perhaps that explains why you have a lower estimate this year, \$3.3 million as compared to \$3.4 million.

Mr. Ernst: It is the cost of borrowing to grant those loans, by and large.

Mr. Leonard Evans: Could the Minister then advise the committee approximately what was the amount of loan lending last year relating to \$3.4 million which I understand is interest costs, et cetera, but what about the actual lending, approximately how much money was loaned under "Industrial Opportunities"?

Mr. Ernst: We do not have exact numbers again for that, but just having a brief conversation here with the staff, somewhere in the area of \$10 million to \$12 million committed, not necessarily spent, depending upon what stage projects are at and so on.

Mr. Leonard Evans: How many jobs did that relate to?

Mr. Ernst: Lots. I cannot give you an exact number, but let me give you an example of a couple of projects. We are involved with Boeing, for instance, where it was a \$7 million loan and I think the job numbers were up around the 250 mark. Palliser Furniture was around 125 for about \$1.5 million or \$1.6 million. We just got the final number, \$10.1 million in committed loans.

Mr. Leonard Evans: But you are not sure how many jobs that related to. You mentioned two, 250 and 125 for two companies.

Mr. Ernst: Mr. Chairman, I did indicate that. We do have the numbers attached to every application of course. Every application that comes forward with those kinds of job requirements attached, if they do not meet the requirements of course they are penalized under the loan. There is a direct relationship there.

Mr. Leonard Evans: Mr. Chairman, I am just trying to get an idea of the degree of activity under this program, how much was loaned, how many jobs were created in relation to that.

Mr. Ernst: Mr. Chairman, I can respond I believe now that the number is 932 jobs.

* (1550)

Mr. Leonard Evans: This year's estimate is a bit lower. Does the Minister have any idea how much lending will go on this year? They must have some idea of what is going to be called for or the opportunities. There has to be some basis for this prognostication.

Mr. Ernst: Mr. Chairman, in many cases it is difficult to determine exactly what is going to happen and you kind of make a ballpark guess based upon kind of the workload and contact base that you have at the present time or at the time that the budget is formulated, which is now of course a long, long time ago. We have almost finished the year in terms of spending, let alone budget preparation.

We have had an enormous increase in the amount of industrial investment in the Province of Manitoba that has not required Government involvement, for which quite frankly we should all be grateful.

Mr. Leonard Evans: For clarification, that money to Boeing, would that be related to the \$3.4 million, not related to the \$3.3 million?

Mr. Ernst: As a matter of fact, it likely would not even relate to the \$3.4 million because I think we are just in the process of flowing the money now, which would have a relatively small impact. The plant expectation did not start until November so that the plant completion I think is scheduled for some time in the spring.

Mr. Leonard Evans: What are the major companies relating to this year? You mentioned two for last year, Boeing and Palliser Industries. What about this year? We are almost finished this year.

Mr. Ernst: Boeing was committed in this fiscal year. It is being funded in this fiscal year, so that we have the plant started in October of 1989 and will be completed some time this spring.

Mr. Leonard Evans: That information, therefore, Mr. Chairman, relates more or less to the 3.3. I appreciate the fact this is a complicated area and there is indeed carry-over of interest from years gone by—who knows?—so those examples were more or less current examples, they were not examples of the previous fiscal—

An Honourable Member: No, current examples, current year examples.

Mr. Leonard Evans: We will not ride that around. Because of the timing, I guess I will not pursue this further, but I would like to ask a question under (b).

Mr. Chairman: Shall (a) pass—pass.

(b) Technology Commercialization \$600,600—the Member for Brandon East.

Mr. Leonard Evans: Again, is that interest or is that grants equity or loans or whatever?

Mr. Ernst: Grants.

Mr. Leonard Evans: Could the Minister explain where this money is being used? Could he give the committee some examples of the utilization of those funds?

Mr. Ernst: You have an opportunity where you take a widget that has been invented in somebody's basement. He thinks it is a good product and he wants to put it into commercial production, so we provide incubator space, some assistance in terms of R and D to getting it through to a point where he can start producing it as a saleable item. That is where the money is spent by and large. That is a pretty simple explanation of quite a technical application.

Mr. Leonard Evans: Again by way of approximation, how many firms or how many grants would be covered by the \$466,000 or the \$600,000, whichever figure you want to choose? Just about how many firms or how many grants are we talking about here?

Mr. Ernst: I would guess around 25 or so different companies with varying amounts for each one.

Mr. Leonard Evans: As the Member for Seven Oaks (Mr. Minenko) was saying, you could provide us with

a list if you want, if that is more expeditious. Whether the Member wanted, I am not sure. At any rate, is the Minister satisfied with this particular program? I gather he has put a lot more money into it, so there must be some more potential here.

Mr. Ernst: Yes, we think there is a good opportunity here for budding Manitoba inventors and entrepreneurs to sort of take what was, say, a basement invention, if you will, and bring it through to production purposes. It is difficult from year to year to predict too, because there are three phases of course in the Technology Commercialization Program, and some require only Phase 1, some require all three, and you are not sure. I mean, some products take off really well quickly. Others take a longer time, so it is tough to tell sometimes where you are going in that. Some of their budgeting will be based on what our anticipation is of those companies as they start the process.

Mr. Leonard Evans: We could pass this one if—

Mr. Chairman: Shall the item pass—the Member for Seven Oaks.

Mr. Minenko: I am just wondering if the Minister could advise us whether—

Mr. Chairman: Shall (b) pass—

Mr. Minenko: —whether he can advise us with respect to all these programs. Have there been any problems or concerns with respect to the repayability of any of the loans or as to where the grants have actually returned? Is there a way that the department has to ensure that the grant goes to that for which it is intended?

Mr. Ernst: Most definitely. The Financial Programs Division holds pretty tight reins on these things, as do the program areas themselves, so that the people who are working directly in the program area, we would know. We keep very close contact.

Mr. Chairman: Shall the item pass—pass.

(c) Manufacturing Adaptation \$550,600—the Member for Brandon East.

Mr. Leonard Evans: Could the Minister explain where the money is going in this respect as compared to (b)? Exactly what are you doing under Manufacturing Adaptation?

Mr. Ernst: The Manufacturing Adaptation Program deals with two areas. It deals with one area primarily, and that is upgrading of industries to new technology by and large. If somebody comes along and says, I have a new machine that will increase my productivity, we do two things. The first thing is we cost-share 50-50 a grant to conduct a feasibility study to see if in fact that is the case, that it will increase his productivity and will provide benefit. Assuming the study is positive, then we fund loan activity up to 50 percent as well for the acquisition and installation of that equipment. Then

it is a repayable loan after that. That is basically what we do.

Mr. Leonard Evans: Just on this one then, does the Minister have pamphlets on this? Last week we were asking about literature and so on, so I hope the Minister does not forget that. We like to get an array of what the department has. It is useful constituency-wise. All MLAs get inquiries from time to time, especially from small businesspeople about assistance available from the department.

Mr. Ernst: We are having a package of material prepared, and as a matter of fact it was such a good idea, Mr. Chairman, that we decided to give it to everybody in the House.

Mr. Leonard Evans: Sure, that is great. If this could pass, we could go on to (d) Venture Capital.

Mr. Chairman: Item 2.(c)(3)(c)—pass.

Item 2.(c)(3)(d) Venture Capital, \$575,600—the Member for Brandon East.

Mr. Leonard Evans: Mr. Chairman, I wonder, this program is being wound down, I would gather, and it is being replaced by another program. Is that correct?

Mr. Ernst: The Venture Capital Program is terminated. This cost is the ongoing runoff cost of everything that was on the books at that point.

The Vision Capital Fund, together with the Immigrant Investor Funds, we think provide adequate sources of venture capital.

* (1600)

Mr. Leonard Evans: Where are the monies for the Vision Fund?

Mr. Ernst: In The Loan Act.

Mr. Leonard Evans: Did the Minister say they were in the loan Act? There is no specific item in here that we can look at. What will the committee do next year, for example, to ask questions about the Vision Fund?

Mr. Ernst: Mr. Chairman, because the loan Act this year provides the funding for the Vision Capital Fund, next year in our budget will be the budgetary requirement for us to fund the loan, the cost of funding the loan to the Vision Capital Fund. Under that line then in the budget, you will have an opportunity to address questions with regard to the operation and so on.

Mr. Leonard Evans: I will not take the time. Perhaps there are pamphlets on the Vision Capital Fund, but I was just basically wondering how different is that from the Venture Capital. I presume it is the same general idea, the Vision Fund versus the Venture Fund with some different wrinkles, but the Minister is nodding.

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

Mr. Ernst: Mr. Acting Chairman, first of all, when you say that the Small Business Growth Fund, item 2.(c)(3)(f), the Vision Capital Fund is in fact a revamped and boosted Small Business Growth Fund, you have taken that vehicle, enhanced dramatically in terms of funding from about \$3 million to \$30 million, and the Small Business Growth Fund will be folded into that. In terms of the difference between the Venture Capital Fund and the Vision Capital Fund, this the Government is not directly involved, No. 1, as a partner. No. 2, there is no cap on the—under the Venture Capital Fund, there was a 7 percent cap on what the Government could get back. The Government had all the downside and only 7 percent of the upside in the event of a successful business.

Every time a business failed, the Government bit the whole bullet, and every time one was successful we limited our intake to 7 percent. Under the Vision Capital Fund, and under the Small Business Growth Fund for that matter, the fund has the entire upside as well as the entire downside. The intent is that the money that is lent to the Vision Capital Fund will be paid back with the specific interest rate, and then the Government still has its equity interest in the fund upon which to draw for future benefits and the fact that the money will keep being reinvested in the fund so that once the Government is paid back the fund is still there and still able to provide venture capital.

Mr. Leonard Evans: In the interests of time we will not go into any further detail, but maybe another year we want to ask a lot of additional questions on that. So that could pass. Pass, unless the Member for—

An Honourable Member: I prefer to answer the questions at that time.

Mr. Leonard Evans: Yes, okay. So that can pass.

The Acting Chairman (Mr. Helwer): Shall item (d) pass—pass.

2.(c)(3)(e) Canada-Manitoba Urban Bus Agreement, \$960,000—the Member for Brandon East.

Mr. Leonard Evans: What is the reason for the big increase here, Mr. Acting Chairman?

Mr. Ernst: The Province of Manitoba, under the urban bus—ERDA and Motor Coach Industries are in the process of trying to finalize an agreement to conduct some major R and D with regard to urban bus technology. The money was put in the budget in anticipation of that happening a lot sooner than it did. We have not yet quite finalized the matter, but we are working on it. That is the reason.

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

2.(c)(3)(f) Small Business Growth Fund, \$144,000—pass; 2.(c)(3)(g) Technology Transfer—that is included in that total.

We should go back now to item 2.(c)(3) Programs, \$6,130,800 -(interjection)- that would be (c)(3), yes—pass.

Item 2(d)(1) Salaries, \$484,800—the Member for Brandon East.

Mr. Leonard Evans: Under this item (d)—whether it is (1) or (2), it does not matter—what is happening here? Can the Minister give us an update on the developments in the health industry area just briefly?

Mr. Ernst: Mr. Acting Chairman, I could go on at some length but let me say in the interests of time to be brief, we are interested in a number of areas. We are conducting a number of case studies of a variety of activity related to health industry development, particularly product development. We are dealing with the aging and rehabilitation centres we talked about the other day. We are involved with some corporations in terms of potential manufacturing of health care products. There are a number of things. I can go into some detail if you want.

We are quite bullish on the whole question of health industries. We have had for instance a very good reaction the other day in the paper, if you read, from David Speer, the Secretary of Commerce for the State of Minnesota, in terms of the health care industry and the fact that some linkages are taking place between Minnesota companies and Manitoba companies. Of course the whole medical alley thing that goes from Texas sort of stops at the moment in the Twin Cities, and we would like to see that whole technology development manufacturing area come right through to Winnipeg as sort of the north end of that.

Mr. Leonard Evans: Mr. Acting Chairman, this is an area that was identified a few years ago. The department began working on that four or five years ago, I believe, because it did seem to be quite promising. We had a cadre of medical personnel here, major hospitals, Faculty of Medicine and so on that it could provide the basis, the knowledge, for development of technology. What I am particularly anxious to see is that the Minister referred to these new health care products or health care products that can be manufactured here.

It is one thing to set up various centres like the federal Government's centre on disease, research and so on. We do not knock that. We welcome those jobs and so on but, in terms of being able to actually manufacture, it seems to me this is an area hopeful, from my perspective anyway, of potential. I would hope that the Minister can report that there are some specific products now that we are going to be able to manufacture in Manitoba.

Mr. Ernst: I can indicate, Mr. Acting Chairman, that we have gone from, in the last year alone I think, about 50 to 65 companies manufacturing health care products in Manitoba and more coming along all the time. They may not necessarily manufacture only health care products, but they are manufacturing products related to the health care system for at least part of their production.

It is a wide variety of things and it is amazing. You do not often think of exactly what constitutes a health care product, but again if you manufacture the front

wheel for a wheelchair it is still part of the health care product area. While he may manufacture all kinds of other wheels, casters and things for a variety of other equipment, once it becomes a front wheel of a wheelchair then it becomes in the health care product area.

Mr. Leonard Evans: I have just one last question, here—well, two. One question specifically was, is there anything with regard to drug manufacture care? I did not think so, but I am asking the question anyway.

Mr. Ernst: We are dealing with two companies at the moment, one of which is already here and the other was contemplating moving to Manitoba, with respect to pharmaceutical manufacturing.

Mr. Leonard Evans: The other question is really related to 2.(d)(2). I will just ask it now. Where is all the additional money going to, from \$881,000 up to \$2.3 million. That is a tripling of—

Mr. Ernst: Well, a great deal of that is contract services that we are entering into, plus the support. A large part of that is also the support for the Aging and Rehabilitation Product Development Centre. Our funds are in for the next period of time to fund the operation of it until it gets up and running on its own.

Mr. Leonard Evans: Mr. Acting Chairman, unless the Member for Seven Oaks (Mr. Minenko) had any questions, I was going to let this pass.

Mr. Leonard Evans: Just on a point of order, we were under some agreement to, I thought, at four o'clock, more or less, today to go back to Fitness and Sport item, because I believe both the Liberal and my own Party Critics are here.

Mr. Ernst: Mr. Chairman, I am at the disposal of the committee. My staff are here. If that is the choice of the committee, then fine, we will deal with, it is my understanding that Tourism, Fitness and Sport were to be dealt with at four o'clock, and we would, but suit yourselves.

Mr. Minenko: On the same point of order, we have got some major sections, including research, Development and Trade before us, so although we were trying to move things along, I certainly would like to see us go into that and then do it quickly and carry on.

Mr. Minenko: With respect to the Health Industry Development Initiative, one question. Are we in competition with any other provinces that have looked at this as an area of development? Can the Minister advise us which provinces, if any, how are they approaching it or how are we approaching it differently than they are?

* (1610)

Mr. Ernst: As a matter of fact, we are probably in competition with every other province. However, we are well out in front I think of a number of them, although the major ones, Ontario, Quebec, and Alberta, have in certain specific areas—mind you, the field is very broad, and if you take for instance microbiology, Alberta happens to be focusing on one particular area, micro-something or other, microbiology I think or something like that, so that they are kind of focusing on that, which we are not. So that is not to say we would not do it if the opportunity presented itself and if we can find something that kind of fits. They are kind of focusing all of their attention on that. Ours is more related to the product end of it, but nonetheless other people are not stupid and they recognize that there is a need in these areas as well.

The Acting Chairman (Mr. Helwer): Item 2.(d)(1) Salaries—pass.

item 2.(d)(2) Other Expenditures, \$2,319,200—pass.

The Member for Brandon East.

Mr. Leonard Evans: Just on the point of order, we fit—

The Acting Chairman (Mr. Helwer): There is no point of order, but just carry on.

Mr. Leonard Evans: Okay, not a point of order. I think we discussed this yesterday. We were going to, I thought, discuss around this time the Fitness Directorate. I do not think it is going to take very long. Following that, we still have not gotten to Tourism, because we have Trade ahead of Tourism, so—

The Acting Chairman (Mr. Helwer): That is fine, we will revert back to item (1)(e), which is the Fitness Directorate, if that is the will of the committee? Agreed. The Honourable Minister.

Mr. Ernst: Can I ask if you want to do Sport at the same time, Fitness and Sport together?

The Acting Chairman (Mr. Helwer): Is that the will of the committee, we will do Fitness and Sport? Yes, okay, that is fine. So we will revert back to item (1)(e), which is the Fitness Directorate.

Item 1.(e)(1) Salaries, \$125,600—the Member for Concordia.

Mr. Gary Doer (Leader of the Second Opposition): Mr. Chairperson, dealing with both the items as the Minister has indicated, can the Minister apprise the committee, under the general rubric of fitness and Sport, the status of the Winnipeg Arena? We have heard the shots across the bow. Is there any information that the Minister would like to make public in terms of negotiations or whatever? We only rely on the media and the odd question in the House, but is there anything that he can update us on on the status of that situation?

Mr. Ernst: Mr. Acting Chairman, I can say that we have no proposal before the Government, and we are not

anticipating one that I have been able to determine at least anyway, and we have made no commitment at all with regard to any funding or involvement in any arena.

POINT OF ORDER

Mr. Richard Kozak (Transcona): I wonder if on a point of order the Minister responsible for Sport (Mr. Ernst) has an opening statement under this category, and I wonder if he would care at this time and no later to provide us with the Estimates for the Sport Directorate?

The Acting Chairman (Mr. Helwer): We are on the Fitness Directorate right now under 1.(e) and we are in the questioning of that item. I think we should continue that, and then when we finish this we will go on to the Sport if that is the wish of the committee. That is what we had decided when we started.

Mr. Doer: I just want to find out some things here. Can the Minister apprise the public whether there have been any proposals either for a professional, amateur, or a combination of both, a dome stadium in the Manitoba or Winnipeg community?

Mr. Ernst: Mr. Acting Chairman, I can advise that we have no proposal before the Government, we have no expectation of one before the Government, and we are not contemplating any initiatives on our own.

Mr. Doer: Would the Government entertain any support to the community if there was a proposal of that nature presented to the provincial Government?

Mr. Ernst: Certainly the Government is open to discuss with the public any initiatives that they may wish to bring forward. That does not mean that the Government either supports or opposes any initiative. It is simply open to suggestions at any time. I think that is the way any Government should operate.

Mr. Doer: Just a final question, are there any other initiatives under Fitness Directorate of a new nature that have been initiated by the Government over the last 12 months since this last item was proposed before us? Can the Minister inform us of those initiatives?

Mr. Ernst: Mr. Acting Chairman, I can advise, yes, there are a number of new initiatives under the Fitness Directorate. The Fitness Directorate was transferred from the Department of Health to the Department of IT and T about June of last year. Once it came over to our department, we went through a number of items and developed some new initiatives. I can give you a list of those. I need not recite them now unless you want them now.

Mr. Doer: Yes, will the Fitness Directorate, has it offered any advice to the Minister in terms of a non-smoking Bill. Can the Minister apprise us of the status of that advice in terms of the proposed legislation before the Chamber?

Mr. Ernst: The Fitness Directorate works with the anti-smoking co-ordinator in the Department of Health, continues to work in that area with them and provides information to the public and so on in continuing lifestyle changes. It does not always work.

Mr. Doer: I know that. To the Minister, does that mean the Fitness Directorate is recommending that there be support of that type of initiative on non-smoking?

Mr. Ernst: Mr. Acting Chairman, nothing has been formalized yet in that regard.

The Acting Chairman (Mr. Helwer): The Member for Concordia, are you finished? The Member for Transcona.

Mr. Kozak: Mr. Acting Chairman, first of all, the record must show the official Opposition's surprise and indeed dismay that only five minutes ago did we receive the Estimates of the Sport Directorate.

The Acting Chairman (Mr. Helwer): Sorry, we are dealing with item (e) of Fitness Directorate.

Item 1.(e)(1) Salaries, \$125,600—the Member for Transcona.

Mr. Kozak: Within the rubric of the Fitness Directorate, Mr. Acting Chairman, has the department considered promotional activities for safety in sport?

* (1620)

Mr. Ernst: Mr. Acting Chairman, again are we talking about Sport or are we talking about Fitness, because they are two distinct different directorates within my department? If it is safety with regard to fitness programming, then I am pleased to answer that we are dealing with—in fact there is a very major concern with regard to the safety aspects of fitness programs, particularly where you get fitness lifestyle type of organizations where they are running programs that are not necessarily well co-ordinated or well developed in terms of the actual physical changes in the body and so on that take place. You can in fact injure yourself significantly by doing some of the wrong kinds of things. We are working with the institute at the university in an attempt to try and pull together some guidelines for those kinds of operations to operate under.

Mr. Kozak: Mr. Acting Chairman, as part of the fitness of Manitobans, we would all recognize the primacy of a drug-free environment. I wonder if the Fitness Directorate is actively involved in the promotion of a drug-free environment, which would benefit not only those of one particular sector of Manitoba's population but indeed the entire population of the province.

Mr. Ernst: Mr. Acting Chairman, the Fitness Directorate, in conjunction with the Sport Directorate, in conjunction with Manitoba Health, in conjunction with Manitoba High Schools Athletic Association, in conjunction with a number of other groups including the Sport Medicine Council, is focusing on a number of initiatives related

to drugs, both performance-enhancing drugs and mind-altering drugs. We try to cover both bases there, one on the pure physical side in terms of relationship to the performance-enhancing drugs, and on the other side relating to mind-altering which of course we are all, I guess, opposed to that sort of activity.

Mr. Kozak: I note that the various components of the budget of the Fitness Directorate have not increased from the previous fiscal year to the present fiscal year. In fact, all of the numbers are identical, Mr. Acting Chairman. There is not even an adjustment for inflation. Does the fact that the budget of the Fitness Directorate has declined in real terms, after taking into account the effect of inflation, suggest that the directorate, the department, the Minister and the Government are failing and somewhat lacking in their commitment to the promotion of fitness in the Province of Manitoba?

Mr. Ernst: I think the Member for Transcona is wrong on all counts. Let me explain why. Not all of the Fitness Directorate budget comes from appropriation. A significant portion comes from Lotteries, which is not contained in the numbers that you have. In fact, we have increased spending, as I indicated to the Member of Concordia (Mr. Doer) earlier, with a number of new initiatives related to the department and its operations, that funding having come of course from Lotteries funding and not from appropriation.

I also wish to indicate, Mr. Acting Chairman—I wish to apologize to Members of the committee for not having provided the Lotteries background information as I should have. It was my every intention to do that. Unfortunately we were launched into Estimates a little bit sooner than I had anticipated last Thursday and - (interjection)- no, we had anticipated, you know, being a week away yet. It was simply an oversight on my part, and I apologize.

Mr. Kozak: I certainly am very pleased to hear the regrets, indeed the apology of the Minister responsible for the Fitness Directorate regarding the absence before us of a large portion, in fact the bulk of the information that we need to properly consider the Estimates of the directorate.

Under the circumstances, we have no alternative but to consider a rather truncated version of the Estimates for the Fitness Directorate. I would be willing, if my colleague from Concordia (Mr. Doer) is willing to join me in this, to proceed to discussion of the Sport Estimates.

Mr. Ernst: If I could just point out, Mr. Acting Chairman, for the information of committee that the total budget of the Fitness Directorate is \$260,000.00. About half of it comes from Lotteries and half comes from appropriation. The other balance of it, by and large, is grants to a variety of sources.

Mr. Minkenko: A couple of quick questions, although not necessarily a consumer of health club activities and aerobics instruction, I do have some concerns with respect to this area.

I understand that there is indeed in place a working group of people looking at training requirements for

aerobics instructors and the whole issue of aerobics instruction in the Province of Manitoba. I am just wondering if the Minister can advise us as to what status that is at right now? What contact he has with the Department of Health in the section that deals with that aspect, and can he advise us when can we expect some initiative with respect to the qualifications of not only the aerobics instructors, because I understand there are people teaching aerobics without qualifications or without updated qualifications, but also of the locations where they are at with respect to the physical surroundings as well?

(Mr. Chairman in the Chair)

Mr. Ernst: We are in fact dealing with the Manitoba Fitness Leadership Institute at the University of Manitoba. We in fact provide substantial funding in excess of \$60,000 annually to them to operate. We collectively have a concern, having discussions and meetings with regard to how we are going to approach the question of fitness operations, particularly when there is some concern about potential injury and potential damage physically to people if they get the wrong kind of instruction. That is in the process at the moment and we will hopefully over the next short period of time, likely in conjunction with the Sport Medicine Council, be able to come up with an appropriate set of action plans.

Mr. Minenko: In light of the time, I am not going to pursue that, although there are some questions perhaps during concurrence that we can discuss on this area.

Mr. Doer: I just would like to deal with the Sport Medicine Council dealing with advice to the Government on steroids and other performance enhancement drugs. What is the relationship now with the Veterinary Association of Manitoba and that Sport Medicine Council? I know they were trying to get that group on the Sport Medicine Council, and has it joined the Sport Medicine Council? Are the vets of Manitoba still sitting as a body apart?

Mr. Ernst: As far as I am aware, the Sport Medicine Council—I know it does not have membership. The Veterinary Association does not have membership on the Sport Medicine Council. Not to say that they do not conduct liaison activities or whatever with respect to certain drugs if that is a concern, but by and large their function to the Veterinary Association is unrelated to the normal functions of the Sport Medicine Council.

We are dealing, by and large, with human beings, not animals, albeit the fact that there were allegations from time to time, whether that is true or not true, and there is a body of opinion that suggests it is not. Nonetheless, there is a concern there I suppose that there will be liaison certainly between those two groups, Sport Medicine Council and the Veterinary Association.

Quite frankly, from the Veterinary Association's point of view, their concern is they do not want their name muddied and they are suggesting that none of their people are doing that but, if they are of course, they want to know and they want to have it stopped. There has been good co-operation.

Mr. Doer: The Dubin Inquiry did produce some evidence dealing with the steroids, vets, and athletes and there have been unsubstantiated rumours before. I know it has been denied by the vets' association pretty strongly, and I respect that, but is the Minister satisfied? Does the Minister prefer to have them outside of the Sport Medicine Council, or does he think that it would be prudent to have them inside dealing with this issue?

Mr. Ernst: I do not think there is a need to have them inside the Sport Medicine Council and there is quite adequate liaison and co-operation outside the council. I do not think they are looking particularly to get in the council either. They have a different sphere, by and large a different sphere, of interest and operations than the rest of the members of this board who met us in council.

* (1630)

Mr. Chairman: Shall the item pass—the Honourable Minister.

Mr. Ernst: I am sorry, when I just came in, I did not introduce you to Jim Evanchuk, the Manager of Fitness Directorate.

Mr. Chairman: Item (e)(2) Other Expenditures, \$7,200—pass.

We will revert then back to—the Honourable Minister.

Mr. Ernst: No, we want to do Sport, which is not contained in the Estimates of the Province of Manitoba but is, in fact, totally funded by Lotteries dollars.

Mr. Chairman, I did have an opening statement, but in the interest of time I am going to dispense with that and simply go right to questions, except for one thing. I want to tell Members of the committee that for the '90-91 Estimates the entire operational budgets that are funded by Lotteries dollars will be, for the first time, contained in the Estimates of the province during the '90-91 budget allocation. That will include both Fitness and Sport and those other activities that the Government undertakes funded by Lotteries. So they will be contained in a normal matter under the line-by-line budget allocations of the Government.

Mr. Kozak: Mr. Chairman, I would like to commend the Minister on the announcement he has just made that in future the operating expenditures of the Manitoba Sport Directorate would be contained within the Estimates of his department.

We can all recall that in previous years the Auditor of this province has described it as improper under The Lotteries Foundation Act and poor management practice to pay the operating expenditures of the Manitoba Sport Directorate out of Lotteries funds. I, late in 1988, urged the Minister to make the adjustment that he has made today, and it would be less than fitting if I neglected to commend him for following advice that I extended to him, in all seriousness, approximately 14 months ago.

Fourteen months ago, when we were considering the Estimates of the Sport Directorate, we were labouring

under the fact that on the very same day an extremely unfortunate incident had come to light in Seoul, Korea, the disqualification of Ben Johnson for the use of performance enhancing steroids. The official Opposition—and I think all three parties would concur that we are pleased there is no such unhappy circumstance hanging over our brief discussion of the Sport Directorate today.

The only element that overhangs our discussion in a somewhat negative way is the fact that only 20 minutes ago, Mr. Chairman—and I understand the Minister has apologized—did we receive the Estimates of the Sport Directorate. As all of us who are familiar with this place well understand, it is very difficult to digest the Estimates of even a small function of Government in a period of 20 minutes. Nonetheless, the Minister has expressed his regret. We accept his regret, and we will proceed to this discussion as best we can.

In late 1988, when I was questioning the Minister on the funding cap, the freeze, Mr. Chairman, that had occurred in the area of sport in Manitoba, the Minister suggested to me that on completion of the needs assessment this funding cap could be lifted, and we would this year be looking at a fairer representation of this Government's commitment to amateur sport.

Now the official Opposition feels that amateur sport is of great significance in this province. Government spending on sport is of clear value to Manitoba tourism. Two hundred and fifty thousand Manitobans participate in amateur sport. Character building opportunities are provided to inner city and rural youth with limited sporting options. Finally, all of us take pride in sporting programs directed specifically towards persons with disabilities, programs such as the Special Olympics.

Last year the Minister invited us to wait for this year's Estimates to better assess this Government's commitment to amateur sport in the province. Even with only 20 minutes consideration of the Estimates, I note that the Government's commitment to amateur sport through the Sport Directorate has declined in all categories from the last fiscal year to the present fiscal year.

Salaries within the Sport Directorate indeed have increased somewhat as we would expect them to. They in fact have been inflation adjusted. Operating expenditures of the Sport Directorate have, however, been cut by approximately \$17,000.00. The grant assistance provided by the Sport Directorate has declined from \$4,043,800 in the previous fiscal year to \$3,953,800 in the current fiscal year.

Mr. Chairman, when we were considering the Estimates of the Fitness Directorate, I pointed out the lack of inflation adjustment in the Government spending. As we consider the Estimates of the Sport Directorate, I must point out that not only has there been no inflation adjustment, in fact the total grant assistance provided by the Sport Directorate has declined from the previous fiscal year to the current fiscal year. Would the Minister concur that this does represent a decreased emphasis on sport by the Minister's department, the Minister himself and this Government?

Mr. Ernst: Mr. Chairman, first let me say that let not the Member for Transcona (Mr. Kozak) think that it was

his initiative of 14 months ago that caused me to include the spending Estimates in the regular Estimates of the Government, for fear of breaking his arm patting himself on the back. I raised that matter three years ago with the former NDP Government where they did not include those items.

An Honourable Member: We initiated the reform, three years to come.

Mr. Ernst: No you did not, no you did not. Unfortunately, you cannot say that. Nonetheless, it will occur.

Secondly, Mr. Chairman, with regard to the question of the amount of funding, the cap or the freeze with respect to Lotteries funding did continue for the current fiscal year. As a matter of fact, it will be altered effective April 1, 1990. New agreements with umbrella groups, organizations and so on are under a process of negotiation at the moment and will be effective starting April 1, 1990.

Mr. Chairman, notwithstanding the fact that the numbers are slightly altered from time to time, we do not follow the general Liberal philosophy of throwing money at everything in sight and shovelling it out as fast we can. We do have a plan as a matter of fact, Mr. Chairman, for expenditure of these monies and that in terms of grant assistance and other operating expenditures related directly to the Sport Directorate, there is a profile that is required. Every sport that does receive assistance is required to provide a profile and it is adjusted according to that profile.

If they have less people involved, if they have less activity involved, if they have less programs involved, they are going to get less money, regardless of inflation, regardless of anything else. That program is carried out on an annual basis so that there is a very great, in fact a high degree of accountability with respect to the grant money that they receive.

Mr. Chairman, I reject the Member for Transcona's (Mr. Kozak) allegation that somehow we are not even considering inflation or anything else. There is a very detailed consideration of how funds are expended within this budget.

Mr. Kozak: Mr. Chairman, I would like to turn briefly my attention to an item that I have just noticed is not included in the budget of the Sport Directorate, an item that came to my attention some months ago. It is my understanding that this Minister has extended to the Winnipeg Fury Soccer Club a \$150,000 loan guarantee that Members of this committee might or might not choose to comment on.

I wonder if the Minister could suggest to us why there is no mention of this loan guarantee in the Estimates of his department or indeed any other document that has been placed before this House.

* (1640)

Mr. Ernst: Mr. Chairman, because there is no cost to the Government with respect to the loan guarantee, except in the event of failure. What we have done is

that we have allocated from the Sport Directorate Reserve Fund sufficient monies to cover the potential loss of the guarantee to the Winnipeg Fury.

Mr. Kozak: Mr. Chairman, I imagine the Minister might suggest to me that he well understand why I feel that \$150,000 loan guarantee is indeed of interest to the Legislature. The dollars of the taxpayer are certainly on the line in the event of default on this loan guarantee. I have no opinion as to whether default may or may not take place. I would suggest, however, that in the interests of open Government, which this Government did commit to fully a year and a half ago, it would be extremely desirable if this committee and the Legislature had something in front of it that discloses in full exactly what this Government is doing.

May I ask the Minister, Mr. Chairman, whether he has a researched opinion on the likelihood of default on the loan guarantee taking place?

Mr. Ernst: Mr. Chairman, utilizing the experience and expertise of the financial programs area of IT and T, we did undertake dealings with the Winnipeg Fury for the purposes of providing a loan guarantee. We did that and it is our view that the Fury, particularly now that they have been awarded Lotteries funding on an annualized basis, will not default on the loan guarantee.

Mr. Kozak: Mr. Chairman, just to clarify, I believe the Minister is indicating to us that the Fury have on time made all of the payments required to the bank or banks involved.

Mr. Ernst: They are required to make their first payment on February 1, 1990.

Mr. Kozak: I understand the limited time available to us and, as a matter of courtesy, will certainly provide due time to the Member for Concordia (Mr. Doer), but there is one other area that I would like to raise immediately before turning the floor over to the Member.

This morning, Mr. Chairman, we were treated on one of Winnipeg's fine radio stations to something of an expose. We found that the Folk Arts Council, which we all credit for their excellent work in the Province of Manitoba, had received in an unannounced way a five-year funding commitment. Now my Party has called for long-term planning in Government. We have used the term "five-year planning" specifically. We feel that in terms of outside agencies which provide valuable services to Manitobans some indication to them as to what monies they will have available for the longer term will help them to plan for the longer term. Could the Minister responsible for Sport suggest to us whether he has given any indication to any of the bodies funded by the Manitoba Sport Directorate as to what their circumstances will be one, two, three or five years down the line? In other words, Mr. Chairman, has the Folk Arts Council been receiving treatment that sports bodies have not been privileged to receive?

Mr. Ernst: Mr. Chairman, I indicated half an hour ago or 20 minutes ago that the Lotteries freeze that continued on for this year and that new funding

agreements for a variety of organizations, umbrella groups and so on, were in the process of being negotiated. We are in the process of negotiating an agreement with the Manitoba Sports Federation. The Folk Arts Council has had their negotiation completed. They are doing the Manitoba Arts Council, the Manitoba Community Services Council, a variety of other people who receive funding under the Lotteries umbrella. So all of those things are ongoing at the present time. They all take effect on April 1, 1990, in any event, so whether they are completed last month, this month or next week is immaterial because they simply do not take effect until April 1, 1990.

Mr. Kozak: One last question for clarification, now that the cat is out of the bag regarding the agreement with the Folk Arts Council, will the Minister responsible for Sport indicate that the five-year commitment extended to the Folk Arts Council indeed will become a standard for the negotiations that he is entering into?

Would he not argue that it is appropriate to treat all outside agencies accessing Lotteries funds in an equitable manner, an even-handed manner, and to extend to them a five-year indication of what their circumstances will be so that they can plan effectively for the future?

Mr. Ernst: Mr. Chairman, we bear in mind continuously the best interests of amateur sport in the Province of Manitoba. However, the subject of negotiations with respect to individual groups are the purview of the Minister and the purview of Cabinet, and I do not intend to discuss them here.

Mr. Doer: I have a couple of quick questions. The Sports Federation building on Main Street, what is the cost of that building and what is the Minister's opinion on having a downtown site? It is probably planned under our Government, I do not know, but I just—

An Honourable Member: Break your arm too.

Mr. Doer: Well, that is why I said it. I was a little curious to see what I would consider to be a commercial site for what I would consider to be a voluntary kind of facility.

Mr. Ernst: Mr. Chairman, first of all, it is not just the Manitoba Sports Federation building. It is owned by Concord Projects, I believe, is the name of the company. They are simply leasing space in the building.

Manitoba Sports Federation, in looking at potential space requirements for what is basically a commercial operation, they are funded substantially through Lotteries. They determined from about a dozen different proposals that was the the best one for their needs, both in terms of location and in terms of cost.

Mr. Doer: Can the Minister outline to us the existing rental costs versus the new occupancy rental cost?

Mr. Ernst: Not in specific terms. However, I can say to the Member for Concordia (Mr. Doer) that the differential between what the cost would have been

had they stayed where they were, because we were dealing with a 10-year-old lease arrangement at that point, so that the renewed cost of staying where they were versus the cost of moving to this new building was about, I think somewhere in the area of \$300,000 or thereabouts, over the five-year period at least. They have considerably more space than they had in the previous building because they were, as a matter of fact, bursting at the seams there. They had ancillary spots around as well, plus they have some options built into the lease as well, potential option to buy the building at 5-, 10- and 15-year intervals at a fixed price. They have some other options for rental space and so on.

Mr. Doer: I am to assume from that the answer, in terms of the total existing costs versus the total new costs, is \$300,000 per annum?

Mr. Ernst: Additional costs, with better facilities.

Mr. Doer: I will move on to the next question. Has the Minister continued to evaluate the amount of money that goes into what I would consider to be administration for sports associations versus the amount of money that goes in for citizen sports participation?

Mr. Ernst: Mr. Chairman, the Member for Concordia should understand the relationship between the sport directorate and the Manitoba Sports Federation. I am assuming he is referring to that administrative costs in the Sports Federation. The Sports Federation, by and large, operates at the present time completely autonomously from the Government, save for the funding agreement they have with the Manitoba Lotteries Foundation, and they do what they want. That is their choice, it is the sport-governing bodies of the Province of Manitoba. It is a federation of sport bodies as opposed to something else. They provide grant assistance, they provide program monies, and they provide administrative grants as well, directly to the sports.

* (1650)

We are in the process of negotiating our new agreement. We have some concerns with regard to that, and it is our hope that we will be able to reach an agreement between the Sports Federation in the province, based not just on funding, but based on some operational co-operation and partnerships working together with them over the term of the agreement. So it will address a number of those issues in conjunction with those negotiations.

Mr. Doer: Thank you, Minister, for that. I think that is the one issue out there. The general sports community, as we all recognize, notwithstanding the success in the past, as we move into the 1990s strongly recommends that there continues an evaluation between the Government that basically brokers the Lotteries money and the people who receive it and rightly govern it. I will not pursue that further, but I am glad the Minister is looking at that.

Just a final question, I know we are pressed for time, but just an old voluntary activity of my own, Mr. Chairperson—

An Honourable Member: Yes.

Mr. Doer: Yes, yes, the \$50,000 Special Olympics is in this year, plus the Sports Federation granting.

Mr. Ernst: It is \$60,000, Mr. Chairman.

Mr. Doer: So you have rolled both grants together, but it is still—

Mr. Ernst: Mr. Chairman, the Government is providing a grant of \$60,000 to Special Olympics.

Mr. Doer: Thank you very much on that. Now I will cease and desist, given the time constraints on these Estimates.

Mr. Chairman: Are there any further questions on the Sport Directorate?

Some Honourable Members: Pass.

POINT OF ORDER

Mr. Chairman: Thank you. At this time, we will—point of order. The Member for Seven Oaks.

Mr. Minenko: I believe there is general agreement that we will finish the Industry, Trade and Tourism Estimates by 5 p.m. I would like to perhaps—although there are some very large sections that need questioning of the Minister, I think the time may be for concurrence. I am just wondering if there would be agreement to pass on to Tourism for the last several minutes.

Mr. Leonard Evans: I see that your Tourism Critic is here. I wonder if I could just take two minutes to ask a question about trade, and then we can pursue that. I agree we will finish off by five.

Mr. Chairman: My instructions are that we go line by line. So under Trade: Provides resources to create Manitoba employment opportunities by facilitating interprovincial and international exports of goods and services produced by Manitoba industry.

Mr. Chairman: On a point of order, the Member for Seven Oaks.

Mr. Minenko: I am just wondering whether the Chair has to read all the extra information, whether we just go line by line.

Mr. Chairman: My instructions are—it is required by Hansard to do so.

Mr. Minenko: To read line by line?

Mr. Chairman: (1) Salaries \$779,600—pass. The Member for Brandon East.

Mr. Leonard Evans: Okay, on the Trade item, just very briefly, do we have any other offices besides—well, Hong Kong and Rotterdam, I understand, are for investment purposes, and Ottawa is for liaison with the federal Government. Has the department set up any other offices or is it planning to set up any other trade offices?

Mr. Ernst: No and no.

Mr. Leonard Evans: I am pleased to hear that, because I think the way to effectively promote Manitoba trade is to work closely with the federal Government and their array of trade officers around the world instead of duplicating, as many other provinces unfortunately do in this country. If the Minister has been around at all, he knows what I am talking about.

The other question very quickly is on the Free Trade Agreement. Is the Minister's staff at all involved in the second round of negotiations on the Free Trade Agreement where subsidies are being discussed and so forth?

Mr. Ernst: Mr. Chairman, we do have an ongoing liaison process with the federal officials in the Department of Trade, dealing with the Free Trade Agreement. We have input. We do on GATT; we do on free trade.

Mr. Leonard Evans: Is the Minister satisfied that Manitoba is being listened to and that we are scoring some points, protecting our own industries, protecting our own businesses?

Mr. Ernst: Mr. Chairman, that remains to be seen, whether we have been listened to. Generally speaking, what we have been doing is taking western Canadian positions as opposed to just provincial ones. We have gone with our partners in western Canada, the other three provinces, in taking positions that are of major benefit to western Canada as a whole and attempting to utilize that clout, if you will, collectively as four western provinces. That has had some significant impact, we think, in terms of our position.

Mr. Leonard Evans: Does the Minister have a staffperson or two dealing with this subject specifically?

Mr. Ernst: Yes, we have two trade economists.

Mr. Leonard Evans: I think we could pass the matter.

Mr. Chairman: Shall the item pass—pass.

(e)(2) Other Expenditures \$1,146,400—pass.

(f) Business Resource Centre: Provides consulting, business information, library, training and development programs, including the Business Start Program, to Manitoba entrepreneurs and businesses. (1) Salaries \$524,500—pass; (2) Other Expenditures \$274,300—pass.

Resolution 86: Resolved that there be granted to Her Majesty a sum not exceeding \$14,377,400, for Industry, Trade and Tourism, Industry and Trade

Division, for the fiscal year ending the 31st day of March, 1990—pass.

3. Technology Division (a) Industrial Technology: Provides analytical, advisory and support services related to science and technology to further Manitoba's technology-based economic development, and provides support for the Manitoba Centres of Excellence Fund. (1) Salaries \$393,100—the Member for Brandon East.

Mr. Leonard Evans: Just on a point of order, if we are passing that whole section, whole line 87, can you not just read that one line? Would that not be satisfactory?

Mr. Chairman: My instructions are we have to go line by line.

Shall the item pass? (Pass)

(2) Other Expenditures, \$404,800—pass.

Mr. Chairman: (b) Information Technology—on a point of order, the Member for Seven Oaks.

Mr. Minenko: We are taking up a lot of time. I would like to discuss some tourism aspects, and we have got a few minutes left. I am sure Hansard does not need us to read all the encouraging investment opportunity stuff for the rest of the things. They can follow it just as well as we can, where we are at. I know we have to pass line by line. So let us just go (b)(1) Salaries.

Mr. Chairman: With this advice, is it the will of the committee to—(b)(1) Salaries—pass; (b)(2)—Other Expenditures—pass; (c) Grant Assistance—pass.

Resolution No. 87: RESOLVED that there be granted to Her Majesty a sum not exceeding \$4,041,400 for Industry, Trade and Tourism, for the fiscal year ending the 31st day of March, 1990—pass.

4. Canada-Manitoba Economic Development Planning Agreement—pass.

Resolution No. 88: RESOLVED that there be granted to Her Majesty a sum not exceeding \$150,000 for Industry, Trade and Tourism, Canada-Manitoba Economic Development Planning Agreement, for the fiscal year ending the 31st day of March, 1990—pass.

Item 5. Tourism Division (a) Administration: (1) Salaries \$168,800—pass. The Member for St. Boniface.

Mr. Neil Gaudry (St. Boniface): Mr. Chairman, the tourism agreement is winding down the Canada-Manitoba Agreement at the end of March. What are the plans for the Government at this point to renew the agreement, or what is happening?

Mr. Ernst: We are in the process of negotiating with the federal Government a number of extensions of agreements, ERDA agreements and so on, of which this one is one. We intend to continue to discuss with

the federal Government and hopefully resolve in the next period of a few weeks an extension of the tourism agreement, although I must say it will not be of the magnitude that the present one is.

Mr. Gaudry: I know we have not got much time and there could be a lot of questions. One that I would like to put on the record is the Grand Beach area. I know there have been a lot of discussions and a lot of media coverage. What is happening in the Grand Beach resort?

Mr. Ernst: We are in the process of negotiating to different developers the potential construction of approximately a 100-room resort and about 100 condominiums at that location, along with a world-class golf course.

Mr. Gaudry: Has any study been done in regard to what effect it could have on Gull Harbour and the Gimli proposal?

Mr. Ernst: Yes, Mr. Chairman. There have been resort studies conducted by Laventhol and Horwath, I think was the name of the company, indicating that a second resort would be of benefit to the province and would enhance the potential experiences for tourists in Manitoba and not harm Gull Harbour at all.

Mr. Gaudry: Are those reports available for the Members of the Legislature or for the critics?

Mr. Ernst: I will look into that. I do not see why not.

Mr. Gaudry: No, we have not got time to go any further. It could go on forever at this point, if anybody has any questions.

Mr. Chairman: No. (1) is Salaries—pass; (2) Other Expenditures \$5,000—pass; (3) Grants \$199,400—pass. (b) Marketing: (1) Salaries \$685,400—pass; (2) Other Expenditures \$3,146,100—pass. (c) Development: (1) Salaries \$384,200—pass; (2) Other Expenditures \$374,700—pass. (d) Quality Assurance: (1) Salaries \$99,000—pass; (2) Other Expenditures \$60,000—pass. (e) Corporate and Community Relations: (1) Salaries \$364,700—pass; (2) Other Expenditures \$262,300—pass.

Resolution No. 89: RESOLVED that there be granted to Her Majesty a sum not exceeding \$5,749,600 for Industry, Trade and Tourism, Tourism Division, for the fiscal year ending the 31st day of March, 1990—pass.

6. Canada-Manitoba Tourism Agreement 1985-1990 (a) Salaries \$571,800—pass; (b) Other Expenditures \$1,660,300—pass.

Resolution No. 90: RESOLVED that there be granted to Her Majesty a sum not exceeding \$2,232,100 for Industry, Trade and Tourism, Canada-Manitoba Tourism Agreement 1985-1990, for the fiscal year ending the 31st day of March, 1990—pass.

7. Manitoba Horse Racing Commission (a) Grant Assistance \$5,364,500—pass.

Resolution No. 91: RESOLVED that there be granted to Her Majesty a sum not exceeding \$5,364,500 for

Industry, Trade and Tourism for the fiscal year ending the 31st day of March, 1990—pass.

8. Emergency Interest Rate Relief Program \$150,000—pass.

Resolution No. 92: RESOLVED that there be granted to Her Majesty a sum not exceeding \$150,000 for Industry, Trade and Tourism, Emergency Interest Rate Relief Program, for the year ending the 31st day of March, 1990—pass.

Mr. Chairman: The hour is now 5 p.m.

* (1700)

POINT OF ORDER

Mr. Chairman: On a point of order, the Member for Brandon East.

Mr. Leonard Evans: On a point of order, can we not just assume that the clock is wrong and carry on? Give us two minutes and we will be out of here. This is ridiculous. Let us pretend the clock is five minutes to. That clock is not right. In fact, I have got three minutes to five. In fact, I have two minutes to five. That clock is not right.

Mr. Chairman: We have one minute left apparently and then we will have to go back to the House.

No. 9. Manitoba Bureau of Statistics \$409,200—pass.

Resolution No. 93: RESOLVED that there be granted to Her Majesty a sum not exceeding \$409,200 for Industry, Trade and Tourism, Manitoba Bureau of Statistics, for the fiscal year ending the 31st day of March, 1990—pass.

10. Expenditure Related to Capital \$2,873,500—pass.

Resolution No. 94: RESOLVED that there be granted to Her Majesty a sum not exceeding \$2,873,500 for Industry, Trade and Tourism for the fiscal year ending the 31st day of March, 1990—pass.

The last item that will be considered for the Estimates of the Department of Industry, Trade and Tourism is item 1. Administration and Finance (a) Minister's Salary \$20,600—pass.

Resolution No. 85: RESOLVED that there be granted to Her Majesty a sum not exceeding \$2,564,300 for Industry, Trade and Tourism, Administration and Finance, for the fiscal year ending the 31st day of March, 1990—pass.

This completes the Estimates of the Department of Industry, Trade and Tourism. The next set of Estimates to be considered by this section of the Committee of Supply shall be the Estimates of the Department of Labour.

The hour is now 5 p.m. I am interrupting the proceedings for Private Members' hour. The committee will return at 8 p.m. this evening.

* (1440)

SUPPLY—FAMILY SERVICES

The Acting Chairman (Mr. Neil Gaudry): Would the Committee of Supply come to order, please. This section of the Committee of Supply has been dealing with the Estimates of the Department of Family Services. We are on item 4, Child and Family Services, (a) Administration: Provides central program management of child and family service programs. (1) Salaries, \$198,900—the Honourable Member for Ellice.

Ms. Avis Gray (Ellice): Mr. Chairperson, I have a question for the Minister. In regard to statistics which are kept for children in care, does the department have a breakdown for children in care? How many are aboriginal children and how many are Metis children? If she has that breakdown, can she provide it; if she does not, could she tell us why that is not available?

Hon. Charlotte Oleson (Minister of Family Services): Mr. Acting Chairman, we have the statistics. Of course, the total number of children in care at the end of March 1989 was 3,759. Of that number, 1,221 were Native. Now, we do not break it down further than that.

Ms. Gray: Is the Minister prepared to look at a change in policy where there would be a breaking down further, so that in fact the Metis community, who certainly have a vested interest in their children in regard to child and family, would have an accurate indication of the number of children in care, as would the department I might add, since it is important they make decisions on projects such as Michif? I would think you might want to know how many children are in care who are Metis.

Mrs. Oleson: Mr. Acting Chairman, yes, the Member makes a point. We would want to attempt to get those statistics; however, there are sometimes cases where it is not declared and also sometimes really unclear exactly the definition of "Metis," but we can certainly investigate putting together those sorts of statistics, and we need that sort of thing for decisions that will have to be made.

Ms. Judy Wasylycia-Leis (St. Johns): Mr. Chairperson, I am wondering if the Minister has the information that was requested at the end of the last session of Estimates pertaining to the \$7.8 million in new initiatives.

Mrs. Oleson: Mr. Acting Chairman, the \$7.8 million includes new and enhanced programs, and I can give the Member that breakdown for her. There was one additional position and related expenses for the Child Abuse Registry which made .1 million; price increases for maintenance of children, .8 million; increase in foster rates, special needs rates and support services for maintenance of children, \$4.7 million; grants to external agencies, price increases, .9 million; program enhancement, \$1.0 million; new initiative child abuse services, .6 million. There is a re-evaluation of the service information system which part of that may not be expended to the point of .3 million, so in order to have that come out to \$7.8 million I thought she should have that information. So \$7.8 million was the total of increases which include new and enhanced programs.

Ms. Wasylycia-Leis: Mr. Chairperson, it is clear that the Minister was trying to leave the impression that all this huge budget was being set aside for new initiatives when in fact our new initiatives amount to, as far as I can tell, .6 million for child abuse. From what I can determine in terms of the list that she just presented, we are not talking about any new initiatives. We are just talking about meeting her requirements in her department and packaging it as if they are new initiatives.

I would ask her the status of a number of proposals before her that would constitute new initiatives and not a repackaged PR exercise in terms of expenditures she is obligated to make. Could the Minister give us a status report on the request before her for funds from Child Find?

Mrs. Oleson: That is not included in this budget. It is under consideration with all the considerations we will have to do for next budget.

Ms. Wasylycia-Leis: Could the Minister tell us the status then of a request before her from Service de Conseiller?

Mrs. Oleson: That has been raised several times, and I have indicated each time that we did not have funds allocated for that particular agency. It has never been funded by this department to my knowledge, and it also will be under consideration for next year's budget. I believe they are about to, or may have already, put in a proposal to the department. I understand that agency is still operating.

Ms. Wasylycia-Leis: Could the Minister tell us the status of a request before her from POWER for some funds for a resource centre?

Mrs. Oleson: That is also under consideration for next year. That has not been funded by this department to my knowledge. I have had an invitation from them to meet with them, and I intend to do so in the near future.

Ms. Wasylycia-Leis: Could the Minister tell us the status of a request before her for serious consideration over the short term and the long term from the Family Life Centre for Winnipeg's North End?

Mrs. Oleson: We told that group that we would consider them for next year, that they were not in this year's budget. They had brought forth a proposal and I had indicated to them when I met that we would consider it for next year's budget.

* (1450)

Ms. Wasylycia-Leis: I would ask in terms of all of those specific examples, as well as the many others, but I will not take the time up of Estimates to list here and ask questions about.

What is the general approach of this Minister in responding to the number of requests that have come forward to this Minister, not only as a result of their ongoing work over the years, but also as a result of

their belief that with a new department entitled Department of Family Services, with a mission statement that talks about assisting families in terms of stress or difficulty, protecting children, assisting Manitobans, adapting to and participating in the work force, ensuring Manitobans' basic needs, and so on?

What assurances can she give us that with this new department, this new mission statement and these numbers of requests coming before her, that she is adapting her department and developing programs that will actually respond to these kinds of requests so that this department is not just a name on paper and it is more than a change on the Minister's letterhead but is truly responsive to the needs of families and truly supporting of families in crisis and out of crisis and that there will be provision for real new initiatives pertaining to supports for families in the future, specifically in the next budget year?

Mrs. Oleson: The Member really makes the whole point of the thing in a way by her list of proposals and her allusion to many other proposals being before the department, which is indicative of the needs that are seen in the community and also indicative of the vast amount of work that needs to be done by the department in assessing the programs that are coming forward to us.

She referred to the mission statement, which of course is a statement of the direction the Government is going and the department is going in regard to the whole issue of family services. There are many needs out there. The Member has made that point, needs that have not been met in the past that we will try to accommodate in the future.

I think it is very important that we must recognize that we must maintain the services that we already have. We must look at the department and make sure that by bringing on new programs we do not jeopardize the programs that we have in place. I think it is very important to plan our growth very carefully in order that we do not end up with having to close down a very valuable program within the department because we are underfunding it in order to open up a new one.

I do recognize there are needs. My department receives many, many proposals. We look at them all in relation to what is already there so that we do not have duplication. We look at them with regard to what are burgeoning needs in the community. All these requests will be taken seriously and considered in the light of what we have available in the line of funds for next year.

The Acting Chairman (Mr. Gaudry): Shall the item pass—pass; item 4.(a)(1) Salaries, \$198,900—pass; item 4.(a)(2) Other Expenditures—pass.

Item 4.(b) Child and Family Support: Provides administrative, program and funding support for child protection and family support services delivered by child and family service agencies, regional offices, and other specialized service agencies; item 4.(b)(1) Salaries, \$1,936,000—pass; item 4.(b)(2) Other Expenditures, \$909,800—pass; item 4.(b)(3) Maintenance of Children,

\$46,231,300—pass; item 4.(b)(4) External Agencies, \$27,922,500—pass.

Item 4.(c) Seven Oaks Youth Centre: Provides short-term care and shelter for youth requiring a secure setting; 4.(c)(1) Salaries, \$1,516,800—pass; item 4.(c)(2) Other Expenditures, \$290,100—pass; item 4.(d) Child Day Care: Licenses and provides funding and program support to day care facilities and eligible families.

Item 4.(d)(1) Salaries, \$1,391,000—the Honourable Member for Ellice.

Ms. Gray: Mr. Acting Chairperson, I have a number of question in this particular area that I would ask the Minister. I think with the amount of publicity and the concerns that have been expressed in regard to child day care over the past year, that my colleague from St. Johns (Ms. Wasylycia-Leis) and I could probably spend the next three days in questions, but unfortunately due to time constraints and the fact that the number of hours for Estimates is running out, we will have to make our questions very brief and just keep to the high points.

Mr. Acting Chairperson, we know that there has been a fiasco in regard to the child day care since this Government came into power. Again I could go into that history, but I am sure we are all aware of it and it is easy to read in the papers for the last year and a half and in Hansard. I would begin by asking the Minister, in this particular section she had indicated that there was a \$5.7 million increase in dollars over last year for child care. I am wondering if she has available to us the breakdown of where those dollars are going. I would further ask her, since the number of the child care centres, some have been notified about where they stand in regard to budgets for this year, some apparently do not know, does the Minister have a list that she could provide us today of those day cares who have received funding, have received an increase in spaces or have received any capital expenditures?

Mrs. Oleson: Mr. Acting Chairman, with regard to the subsidy, we have a \$2.5 million increase in subsidies and \$3.2 million in grants, almost \$3.3 million.

Ms. Gray: Does the Minister have a list of day cares who have received increases in spaces or funding, et cetera.

Mrs. Oleson: Yes, I do have that information. In Winnipeg we have the Ashworth—

The Acting Chairman (Mr. Gaudry): The Honourable Member for Ellice, on a point of order.

Ms. Gray: It would appear the Minister has a long list, could she provide us with a copy of that list now, please?

Mrs. Oleson: Mr. Acting Chairman, no, it is not all that long, because there are several increases go to separate things, so if the length of the page is what she is panicking about, not to worry.

The Acting Chairman (Mr. Gaudry): The Honourable Member for St. Johns, on the same point.

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Ms. Wasylycia-Leis: Regardless of the length of the list, I think it would be courteous for the Minister to provide us with a copy so that we will be able to review it as Estimates proceed.

Mrs. Oleson: Yes, I can table this copy of the allocations if that would be suitable.

The Acting Chairman (Mr. Gaudry): Thank you. The Honourable Member for Ellice.

Ms. Gray: While we are waiting for that list to be tabled, I will have some questions on that. With the task force that the Minister had commissioned on child care, one of the recommendations in the task force related to the possibility of giving salary enhancement grants to child care workers who worked in a for-profit or a private day care—it has been unclear to me anyway what exactly the position of the Government is on that. I am wondering if the Minister could indicate to us today what exactly her Government's position is since I think it is clear the position of the other two Parties on that subject.

* (1500)

Mrs. Oleson: As the Member knows, the legislation presently in place does not permit salary enhancement grants to go to private centres. We did increase the salary enhancement grant to unfunded centres this year and that has made a difference to—that is the first time those centres will have received that kind of funding.

With regard to her question about what our position is on salary enhancement grants to private centres, I think there needs to be some more work done and it is in progress with the working group on the whole funding issue with regard to child care in the province. I think that will be taken into consideration with that particular group when they do their calculations and their investigations into the whole funding issue. As the Member knows, the working group has reported for the short term and will be commencing immediately, or have commenced, their work on the long-term project of looking at the whole funding issue because there are some, as the Member may be aware, problems with the funding in various regards.

I should have, when I was up before, remarked to the Member that I do not concur with her opinion that the whole day care in the province is a fiasco, it is not. It is still operating under the same licensing, same regulations, with minor exceptions with regard to regulations increasing parent fees and the regulation that was passed prior to Christmas with regard to the training standards. Those are the only exceptions that have been made to the regulations I can recall, unless the staff wish to remind me of another one. There is no fiasco taking place. The day care is operating. The funding was in place. We increased funding this year as we had last year and are trying to build up the salaries of child care workers in this province who we have recognized publicly in this House and in various other forms, the child care salaries are low. We are attempting to alleviate that situation.

Ms. Gray: I have no intention of debating with the Minister on what is a fiasco or not. Certainly the day care community and the people of Manitoba will be the judges of that.

Getting back to the question on salary enhancement grants for child care workers, now I believe this Government in Opposition had a position on salary enhancement, I could be wrong. In fact during the campaign they had a position. Is the Minister saying in fact now the Government does not at this point have any position at all in regard to salary enhancement grants for child care workers in for-profit, private centres?

Mrs. Oleson: We are anxious to see the child care centres operate in the best possible way, whether they be public centres or private centres. The private centres are having difficulty, many of them, with funding, having trouble operating. There seem to be inequities that have built up over the years in the whole system. That, as I have indicated before, will be the subject of a review.

We did, as soon as we came into Government, change the subsidy procedures in that we allowed subsidies to subsidize children to go to public centres. That has made a difference in some instances. The only problem that arises over that is that of course the subsidized children are not subsidized to the same point as kids in the public centres, because the public centres also get other grants. That has been expressed to me. There are people from both the public and private sector who are involved in the working group that is looking at the funding of child care centres.

Ms. Gray: Is that a "yes" or a "no" to my question? My question is, is that a yes or a no to my question?

Mrs. Oleson: What I am telling the Member is that the whole thing is under review. Whether or not we agree with public funds to private centres or whatever is really irrelevant at the moment, because the whole thing is under review.

Ms. Gray: Well, I take that as a "no" to my question. In fact, the Government does not have a position. If they do not, and they are reviewing it, I do not know why it is so difficult to simply indicate that. However, I would say that for all those child care workers in private centres, for all those parents, for the Minister to say that is irrelevant, I am sure they would not agree, but I can understand why she said irrelevant, given that when in fact there was a community public meeting to talk about this issue the Minister did not even have the courtesy to go to that meeting or send one of her senior staff to at least talk to the parents.

At least the Opposition Party went to that meeting to listen to their concerns and to discuss the issues with those parents. The Government chose not to. I suppose now I can understand why, given that the Minister feels that particular issue tends to be irrelevant.

The Minister has given us a list of approvals for funding of day care centres. Before I ask any specific questions, I would ask the Minister, can she indicate

to us or table a document that would tell us and the centres, what is the criteria that is used to determine which centres will receive some funding for extra spaces and which centres will not?

Mrs. Oleson: We have a list here of things that are taken into consideration when allocating spaces, but this is also something that we are taking a look at. One thing would be the financial, one of the major things with adding a small number of spaces to a centre is the financial viability of the centre, because often if you can add a few more spaces it adds to their viability and helps that centre. Also, availability of services in the area would be one criteria, to look at the area and see just what the needs are there, and also our waiting list, of course. Some of them have been waiting for awhile to receive funding and that is taken into consideration, and the need for subsidies by parents in a particular area is taken into consideration.

Also, whether the centre is already operating and licensed, that would tie in to the question of adding more spaces because of viability. Also, licensing and quality care issues, we want to make sure that every centre is operating under the regulations and would be providing the best possible care. There are many things that have to be taken into consideration. Some of them have been waiting for some time for allocation and we recognize that. We try to accommodate them whenever we can. We have to, of course, consider how much we have available in the line of funds and allocate that accordingly so that we are not overspending our budget.

Ms. Gray: I see that there is no allocation of any spaces to Roblin Day Care, and I understand that there is a group of parents there who for some years have been looking at establishing a day care, and partly because there are no other day cares in the particular area.

I also would follow up, from the Member for St. Johns (Ms. Wasylcia-Leis), questions in Question Period about the concerns and frustrations expressed by the Pinkham Day Care Committee, who again appear to have been under the impression that they would be receiving some positive answer for a new day care centre. Certainly when the Minister indicates the criteria of the need for a centre, and looking at the number of subsidized spaces, I would think that this Pinkham Day Care would actually qualify. Can the Minister tell us the reasons why the Pinkham Day Care and Roblin Day Care did not qualify for any space expansion this year?

A further question I have for the Minister: have all the day cares who requested some financial funding, have all of them been notified as to the status of their requests?

* (1510)

Mrs. Oleson: I am not sure which centre the Member is referring to when she refers to Roblin. There was a centre in a school allocated for the Russell school this year, but I will investigate and see what status the Roblin one has. I am not quite conversant with that one.

She also asked about—which other—Pinkham? As I indicated in the House today, that is certainly under

consideration and they will be receiving information shortly on that. I know I made a commitment with that last year and that is being followed through.

The Member also asked if we had indicated to the centres what the status of their request was. The letters have gone out that indicate to the centres that will be receiving allocations this year, and the other letters will be going out shortly.

Ms. Gray: Therefore, in response to that question, I would assume that Pinkham Day Care, since they would not have received a letter, and the Portage Day Care, who as of January 11 had not received a letter, that in fact there are no space allocations for those two centres for this year.

Mrs. Oleson: With regard to the two that the Member asked about, the list I gave the Member was an initial list. We were trying to fit the others in, and they will be getting information shortly.

Ms. Gray: Are there still spaces to be allocated for this fiscal year?

Mrs. Oleson: We do an initial list, and then if there are some that maybe cannot use them, which I would doubt, they would let us know. Toward the end of the year some adjustments have to take place, and it is possible sometimes to adjust those and add other centres.

Ms. Gray: Is the Minister then indicating that some of these day care centres should still continue lobbying to receive some of the dollars for this fiscal year?

Mrs. Oleson: Mr. Chairman, we have a list and we are very aware of their needs. If they want to write me letters and point them out they are certainly welcome to do so. The strength and the quantity and quality of the letters does not really dictate all my decisions. We have to weigh many other things, as I listed to the Member, in criteria. Certainly, if they want to write letters about it I will be happy to read them.

Ms. Gray: Mr. Chairperson, one of the concerns that has been evident on behalf of the Opposition, and certainly by some of the child care centres and workers, is that in fact—and perhaps it is simply a misunderstanding on the part of those of us who are receiving the message from the Minister—the Minister's talk about the present child care system as being very unwieldy. In fact, we have received letters from some of the child care centres who are of the feeling that the Minister and her Government seem to be possibly looking at doing away with maintenance grants and salary enhancement grants, et cetera, and in fact letters have been written to us expressing that concern.

I am wondering if the Minister could clarify her statements in various talks she has given to the public in regard to the fact that she feels that this funding system is unwieldy, and what this working group headed by Gail Watson—where they are at in their process? I understand that short-term recommendations have been made. What is the plan in regard to long-term recommendations?

Mrs. Oleson: Mr. Chairman, first of all I did not indicate that the whole system was unwieldy. I have indicated, and the Member I am sure was aware, that the funding mechanism has many parts to it, and there has been a lot of concern expressed over that funding system. I have also indicated to her and indicated to the public when I made the announcement over the working group, that the working group was given the mandate to look at the short-term funding to give us advice for this upcoming budget. They were requested by myself to complete their work by the 15th and they did, and they reported to me on the 16th. I was very pleased because it was a massive amount of work. I was pleasantly surprised that they were able to complete it in that short an order. I commend them for that because I know there was a lot of work, and a lot of discussion had to take place within the group.

I have indicated on several occasions that was the short term. The longer-term funding is already under discussion. Obviously, since they just would commence at about the day after, they gave their first report to me, they would not have completed that yet. I would not really have any information to give the Member on that regard.

Ms. Gray: The working group that has given their initial committee for the Minister's information, that is what happens when you hire professional home economists. They usually get their work done on time.

I would ask the Minister if in fact with the budget that has been allocated for this year in the area of child care, what is the expectation in regard to any dollars that may be unspent? Does the Government feel at this point, with the fiscal year in its last quarter, that in fact there will be a number of dollars that are unspent in this year's child care budget, and if so, what would those dollar amounts be?

Mrs. Oleson: Yes, we anticipate there may be some. We have not got the report of the third-quarter yet, but there may be some. There is always some leeway in spending because of the fact that what you are doing when you allocate salary enhancement grants and subsidies in particular, you are forecasting the take-up on that. It indicates that there will be some underspending, but then the department of course has to sit down and decide what will be the allocation of that.

Ms. Gray: If there is some underspending, does the Minister have a position on where she feels those unspent dollars should be allocated?

Mrs. Oleson: I would have to certainly take under consideration all the needs within the whole field of day care, and that is being considered. We would have to know for sure what sort of dollars we are spending before we went on a spending spree with it. We also have to look at what implication it has for next year's budget, the type of allocations we make. All that matter is under consideration.

Ms. Gray: With dollars that may be underspent, can the Minister tell us, does she believe that in fact those

unallocated dollars should be reallocated and spent for this fiscal year? Is that her position or does she feel regardless of where those dollars could or should go that they should remain unallocated, and the department would end up in an underspending situation in this particular section of the department?

* (1520)

Mrs. Oleson: We have to take into consideration the many, many demands on the Government. I am sure some of the taxpayers would not mind having what they might feel is a break in our not spending so much money, but all these matters will have to be considered in looking at the whole department of course too and their spending pattern in the whole department.

I do not really make this decision on my own. There has to be consultation with Treasury Board, of course, in all these matters to do with allocation of funds.

Ms. Gray: Can the Minister tell us which departmental representatives of Family Services are working on the governmental committee with Education to examine the issues around schools and space, and how that fits into day care space allocation?

Mrs. Oleson: No, officials from my department are working closely with the Department of Education to review that.

Ms. Gray: Who are the officials that are doing that, and what is the time frame for the committee to come up with their recommendations?

Mrs. Oleson: The Assistant Deputy Minister of the Day Care and Employment section is one of the people that is working on that, as well as others from the staff. Of course, when we need particular information they will acquire it from whomever, and the staff is available to give them that information, or has that information at their disposal.

The Member wanted to know the time frame. I imagine it would be in the next two to three months; we want to wind that up while we are working on projections for next year.

Ms. Gray: Mr. Chairperson, I asked that question because I am sure the Minister is aware of the concerns expressed by the Munroe Child Centre, and the recent letter from the Minister of December indicates this joint committee. I would ask the Minister, the Minister says it has been two to three months. Has this committee already had some meetings, have they begun the process, or is that just something that is about to start?

Mrs. Oleson: There have been discussions take place.

Ms. Gray: Mr. Chairperson, can the Minister indicate her position on the establishment of a post-secondary training course for child care workers at the University of Manitoba within the Faculty of Human Ecology?

Mrs. Oleson: Mr. Acting Chairman, yes, I think that is an important matter to have that course take place

and I understand it is ongoing. The Minister of Education (Mr. Derkach) perhaps at his Estimates, would be able to further discuss that with the Member because the Universities Grant Commission decide the priorities of what courses they will offer at the university and it is worked out with them.

We do certainly pass on encouragement for some particular area, but they are more or less at arm's length, but you might want to discuss that with the Minister of Education. The program I believe is ongoing, but workers, people that run centres that have talked to me about it, are indicating that they are really more concerned that the courses continue at Red River for the Child Care Worker II and III, in those particular courses because we are short of people in the actual centres.

So we have to weigh all these things and make sure that we are giving training where it is most needed, hopefully, both. But it is expressed to me some concern that we need to have these courses at the community colleges—I should not just indicate Red River Community College because, as I understand from the Minister of Education, that Keewatin and Assiniboine are both offering that, and that there are courses which take place out of Keewatin in Thompson, so it is important to have these courses available in other parts of the province, as well as Winnipeg.

Ms. Gray: Can the Minister tell us, does her department have the capacity to provide any dollars to the university so that in fact a course such as this could be provided?

Mrs. Oleson: Mr. Acting Chairman, that is not part of the Family Services budget. The money that was allocated to training this year was part of the Minister of Education's budget, some \$600,000 which actually could be earmarked as day care but was actually worked through the Minister of Education (Mr. Derkach) to provide the courses at Red River Community College. The Minister of Education gives grants to the university, so most of the work is done through Education.

Ms. Gray: Mr. Acting Chairperson, perhaps the Minister then can enlighten me as to, how does her department give \$120,000 for a program in psychological services at the University of Manitoba?

Mrs. Oleson: That is not in this area. That is not in day care, the funding that we gave. That is a course that is off campus and it actually works with the families and children in the area of child protection and child abuse. It is not anything that is in particular in the child care field but is in the child protection field. That was a grant to help that because it does have the practical attributes in that people in need of help benefit by the course being given because they actually work with them on a practical basis, so that is another matter.

Ms. Gray: Can the Minister tell me, and I knew that was not in the child care section, it has nothing to do with it, the question is: the University of Manitoba is running this course through Psychological Services. I do not care where it is held, it could be held in Thompson, Churchill, Brandon. My understanding is it

is through the University of Manitoba and monies have been given from the Department of Family Services for that course. What prevents the Minister from doing the same with the child care course through the Faculty of Human Ecology?

Mrs. Oleson: Mr. Acting Chairman, that area the Member is talking about is something that we worked together with the university to pilot. We facilitated that so that could take place, a sign of co-operation and working with the university to provide something in a specific area as a pilot project.

Ms. Gray: Can the Minister tell us why she was not willing to pilot a child care training course at the University of Manitoba?

* (1530)

Mrs. Oleson: The course the Member refers to would hardly be called a pilot course in that it is already ongoing. We did have considerable discussion with the Department of Education. It just so happens the money has flowed through there. I suppose we could have taken that \$600,000 and flowed it through this department but it really does not matter where it flows from. The fact that it is happening is the important point.

Ms. Gray: Can the Minister clarify—she says the child care course at the university is ongoing—is she saying that there is a four-year course that is ongoing that people can apply for through the university and take a child care course? She said that about four times, it is ongoing.

Mrs. Oleson: Mr. Acting Chairman, I am sorry, I thought that program had started this fall. I am sorry. I did not mean it was ongoing forever and ever, but I thought it had commenced after the discussions. I find I am in error then. No, the program that she was referring to, the funding of courses at the university, is at the prerogative of the Department of Education. We do have many, many discussions with the Department of Education on the programs that they run, and we are certainly encouraging them to do that program.

Ms. Gray: Mr. Acting Chairperson, after all the questions that were asked in the House in June about the course that never got off the ground I cannot believe the Minister would think that the program had started.

I have a further question to the Minister in this section. She is probably aware of the correspondence, the number of letters, that she has received over the course of the last few months from the Sir William Osler Day Care in regard to their concern about having to move their day care centre out of their catchment area and into another area and the need to have day care spaces in the River Heights area.

There was a lot of concern expressed by Sir William Osler Day Care, because they felt they were quite unsure as to what the role was of the Child Day Care office in regard to assisting day cares in looking for new space or in fact assisting day care centres in working with

the Department of Education to look at unallocated space.

I am wondering if the Minister could tell us today, particularly in light of the fact that there has been some talk about space at Robert H. Smith School in regard to the renovations about looking at child care space, what is her department's position on getting involved with looking at allocation of child care spaces at a renovated school such as Robert H. Smith.

Mrs. Oleson: Mr. Acting Chairman, with regard to Robert H. Smith School, the whole matter of child care in that school is being reviewed. We are looking at it with hopefully a resolution very soon and discussions with the Department of Education. There are two or possibly three groups that want to use that particular space if it is allocated in the school, and that has to be taken into consideration.

The school board will have to, I believe, make the final decision on who the group is that uses their facility, because actually the facility comes under the jurisdiction of the school board. The day care office works with groups in finding spaces. It does not dictate where they go, but they must of course go into a facility that is able to be licensed. We hope for a resolution to that particular concern very soon.

Ms. Gray: Mr. Acting Chairperson, can the Minister tell us, have the resource co-ordinators, the two new positions that were indicated in her announcements, been bulletined and have people been hired?

Mrs. Oleson: We have hired in one of those positions and the other is in the process of being bulletined.

Ms. Wasylycia-Leis: Mr. Acting Chairperson, let me deal with the broad question of spending in this whole area. Could the Minister begin by telling us how much of the '88-89 budget was underspent in the day care part of her department?

Mrs. Oleson: The figure is \$3.2 million.

Ms. Wasylycia-Leis: So day care was underspent by over \$2 million for the fiscal year '88-89. Could the Minister give us a more precise answer, based on the questions already from the Member for Ellice (Ms. Gray), what she anticipates underspending will be for day care for the fiscal year '89-90?

Mrs. Oleson: That figure is not available because we have not had the Third Quarter Report. We have some estimates in the department, but the final figure on that is not available. We are doing projections, and we are certainly monitoring that.

Ms. Wasylycia-Leis: It would seem then based on the fact that about half of underspending for the entire department is in the area of day care, at least based last year's fiscal year, if we project that into this fiscal year we can expect to see at least half of the department underspending possibly in the area of child care. Considering that we already have, after the second quarter figures, close to \$7 million in underspending

for the entire department, we are looking at a fair sum of underspending, possibly as much as \$3 million being underspent in the area of day care.

So we are looking at a projected total, for over two years of underspending, at least in the area of \$5 million. I would like to ask the Minister then what, based on these figures and these projections, is the actual increase that this Government is spending in the area of day care?

* (1540)

Mrs. Oleson: Well, the Member is using half-year figures to make all sorts of assumptions, which are not necessarily correct. I told the Member we were monitoring the expenditures in the department. We have made the commitments that we had said we would make. The Member should be aware that from time to time there is not the take-up on subsidies, there is not the take-up salary enhancement that was projected. We are certainly watching that closely, and we will make sure that we are on top of it so that we can make decisions before the end of the year about allocations.

Ms. Wasylycia-Leis: I think the Minister has the ability, within her department, to project all kinds of things and I am sure particularly in the area of unspent dollars. It would appear there is a minimum of about \$2.2 million based on '88-89 of unspent dollars in the day care field. We can assume there will be a considerable amount of unspent dollars based on the patterns to date in the area of day care.

My question to the Minister is this: why was she prepared to allow those kinds of dollars lapse, disappear, go against the deficit, rather than address the crisis in the day care field that is before her today, rather than start to deal with the demands of the day care workers in this province, rather than start to fund some of the spaces in critically high-need areas? Why has she decided to lapse those dollars, and not reallocate where there is a clear need, where families are in crises, where communities everywhere, from one end of this province to the other, are crying out for assistance and support from this Government. What is the rationale behind this kind of Government decision-making?

Mrs. Oleson: Mr. Acting Chairman, the Member should be aware that the funds that lapsed last year were still built into the base for funding for this year, and we have increased the funding by some \$6 million for child care this year, and I take exception to her remarks about all this crisis because if there is a crisis now there certainly was a crisis two or three years ago as well. The Member should be aware that we are making our allocations. We have better capacity I believe in the department now to make our projections because of some of the changes that we have made with regard to information gathering and audit systems and so forth. We have a better tracking system in order to be on top of spending patterns so that we be better able to make decisions in this regard this year and in the future.

Ms. Wasylycia-Leis: Mr. Acting Chairperson, could the Minister go back to the question I just asked and give

me an answer and that is, what is the actual increase that this Government has put into day care?

Mrs. Oleson: Mr. Acting Chairman, it was \$6 million over last year's allocation.

Ms. Wasylycia-Leis: I see the Minister likes to play the numbers game and not give us a real answer. It is clear if you do not spend all that money it is not a real increase. The Minister and her Premier like to spout out this number of a 45 percent increase which we all know is a joke on this side of the House. We know they begin by making that Estimation based on inaccurate calculations to begin with and now they want to leave the impression that this increase is still in place, that they are still giving Manitoba families and users of day care a 45 percent increase when they are not spending the dollars. How long do we put up with that kind of a farce. Mr. Acting Chairman, the Minister just finished saying that this money does not lapse, it adds year after year. Then as an example to that let me ask her does the \$200,000 of money earmarked in her '88-89 promises for workplace day care centres, is that now doubled to \$400,000 for this year.

Mrs. Oleson: The allocation is \$200,000 for this year. The Member should recall that even though she wants to scream and yell about the spending, \$6 million increase was given to child care this year. Last year all those people who applied for salary enhancement grants who were eligible for salary enhancement grants got them. All those people who were eligible for subsidies who applied for subsidies got them.

Ms. Wasylycia-Leis: Yes, they all got it, they all got 24 cents an hour increase last year, and they got it this year, while the Minister had at her fingertips \$4.4 million of money that has lapsed. The Minister has just given proof of the fact that it has lapsed. She has indicated that if you take a specific example like the workplace dollars, it has lapsed. There has been no cumulative effect, no doubling of the program. We are back to her new announcement of \$200,000 and there has been no uptake, and it will probably lapse again and that money will go against the deficit again.

Mr. Chairperson, I would ask the Minister, why is she prepared, how can she justify sitting by letting that money lapse when \$4.4 million for last year, and presumably at least that amount and likely more for this fiscal year, are at her fingertips to be used, to assist the child care field generally, but specifically the very real needs, the sincere pleas for assistance from this Government from the child care professionals in this country? Why did she not take that \$4.4 million and apply it to the crisis and ensure a reasonable salary enhancement increase for all day-care workers in this province and avoid the kind of crisis we are having today, and avoid the kind of leaving of the field by day-care workers that we are seeing and the crisis that families everywhere are faced with?

Mrs. Oleson: Mr. Acting Chairman, she must be talking to different people than I am because families are not flocking to me saying they are in crisis because of our spending patterns with day care. We have spent an

extra \$6 million this year. The Member seems to think that funds lapsing are some new invention. She was, not on Treasury Board perhaps, but on Cabinet; funds have lapsed in the past. It is not a cumulative thing for year after year. We have not changed the system. I told the Member that we have a better tracking system put in place. We are going to be able to do better projections, and we certainly want to spend the money that we have allocated, that we have been authorized to spend by the Treasury Board. We certainly want to spend it on child care and we are making every attempt to do that. This year we will not be, in every likelihood, allowing money to lapse in the quantity that it did last year, but to try and build up the idea that this is somehow something new is completely ridiculous.

* (1550)

Ms. Wasylycia-Leis: Mr. Chairperson, I point out to the Minister it was the Minister who said that unspent dollars do not last. So I just wanted to make sure she understood how the system works. I am quite aware of the system, and, in fact, under NDP administrations, we had the problem of overspending each and every year in this area because of a commitment to responding to the need and the demands. Instead, we see with this Government, not even a holding pattern, but a backpiling pattern, a deliberate policy to not spend dollars in the area despite making all these promises, to package it and dress it up as if it is a huge increase, 45 percent increase, when it is not even close to that kind of an increase. I would ask the Minister again, what is the real increase that this Government has put into the day-care field, real dollars in terms of allocated and spent dollars?

Mrs. Oleson: Mr. Acting Chairman, what we did when we allocated money to child care was allocate the amount that was used as the base last year plus \$6 million.

Ms. Wasylycia-Leis: Right, the base allocated that was not all spent and now add another \$6 million on top of that, which is not being spent. All we are asking for from the Minister is to use the flexibility she has to address the crisis, not to go above and beyond her budget. Everytime we ask a question she talks about staying in budget. Okay, that is what we are asking the Minister, stay in budget. Stay in budget and meet the cries out there for assistance, for support to help families juggle their work and family responsibilities to ensure quality care for their children.

I think that is a pretty simple request. I would ask the Minister—she is muttering under her breath saying it is simple for me to say—and I think it is a fairly reasonable request to say, spend the dollars you have, not spend, spend, spend, as the Minister keeps muttering from her seat. Spend the dollars she has. She has gone through all the hoops, she has gone through Estimates, she has gone through Treasury Board, she has gone through Cabinet, she has gone through all the committees. She has the authority to spend, then let us see some commitment behind this and spend the actual dollars that she has in front of her, live up to the increases that she has said this Government is providing to the families of Manitoba.

Mr. Chairperson, it is clear this Government would rather see a crisis bubble away and grow and become acute in our society rather than deal with the situation at hand. I would like to, on this same note, ask her how she is following up the very reasonable and specific request from the Manitoba Child Care Association to ensure that unspent dollars for this fiscal year will be reallocated to maintenance and salary enhancement grants.

Mrs. Oleson: Mr. Chairman, the Member may find they feel that it is a very simple thing, but we have to take into consideration the timing. The Second Quarter Report came out and indicated that, of course which the department already knew, there was some understanding.

I started to say that the Member seems to think—

The Acting Chairman (Mr. Gaudry): No, it is not coming through.

Mrs. Oleson: Okay, may I proceed?

The Acting Chairman (Mr. Gaudry): Okay.

Mrs. Oleson: The Member seems to think it is a very simple thing this allocation, this discussing of funding throughout the year.

One of the things that you have to take into consideration in the spending pattern is that you have to be sure that your projection is accurate, that that money actually will last because—

The Acting Chairman (Mr. Gaudry): Order, please. Will it be recording, though, although it is not coming through? Can we proceed? Five minutes.

* (1600)

RECESS

(Mr. Ed Mandrake, Acting Chairman, in the Chair)

The Acting Chairman (Mr. Mandrake): The meeting shall come back to order.

Mrs. Oleson: I was just pointing out to the Member that we cannot oversimplify this situation because we have to monitor the spending patterns very closely. If you make a decision too soon to reallocate funds, then you run the danger of not having funds available to do the things for which they were allocated in the first place. We have to be very careful. We are monitoring them carefully to make sure that we will be on target. We certainly have every intention of spending the money that was allocated to child care.

With regard to the MCCA request, we will certainly take it under consideration, but we have to look at all the priorities of the day care system and look at the funds that were allocated there. The Government ultimately has to make the decision. We certainly take everything into consideration.

Ms. Wasylycia-Leis: Mr. Acting Chairperson, it is obvious the case that as a Minister one has to be

responsible for predicting and projecting for emergencies, and so on. We are not dealing with that kind of a situation, we are dealing with a situation where the Minister would rather help out her colleagues in terms of their deficit reduction priorities than deal with the priorities she is responsible for as the Minister of Family Services.

She let 4.4 million lapse, 2 million of that being for day care in the last fiscal year, at a time when the day care crisis was in full view and in glaring depiction before her. She clearly knew the concerns of the day care workers and the needs by parents in this community, yet refused to go the necessary steps, the available steps and processes before her, such as Treasury Board and Cabinet to ensure that money be reallocated to ward off a crisis in this area and to ensure that day care professionals stay in this profession and do what they want to do all along, provide nurturing professional care rather than being treated like cheap slave labour in this province.

I think, Mr. Acting Chairperson, we are not getting straight answers from this Minister. She has the wherewithal to deal with this kind of a crisis, the figures speak for themselves. I would hope that we will not see the same thing happen in this fiscal year. I would ask the Minister if she will assure us that not a dollar goes unspent in the day care field, and that she will ensure any unspent dollars are reallocated to responding to the identified needs in this area, that is, increased salary and enhancement and maintenance grants.

Mrs. Oleson: We have made it very clear that we are dealing with all these problems. As I had indicated before, the working group has reported to me on the recommendations for funding for next year. I have indicated to the Member that we are certainly considering and evaluating the situation with regard to funds that may be underspent and that all is in the works. She can rest assured that it will most likely—I cannot give her a definitive answer, clearly that every dollar—I do not have it right down to the last dollar or half-dollar, but we are undertaking to spend the money in the area for which it was allocated.

Ms. Wasylycia-Leis: I hope that is the case, because I have just checked the second-quarter figures for last year to compare it with this year. It is clear that if one goes on last fiscal year, as an example, this Government ended up underspending by about half of that which was underspent at mid-year. If that is the case, Mr. Acting Chairman, we are looking at a projected underspending for this department of \$3 million to \$4 million and a good part of that being in the child care area.

I would reiterate that the point I am trying to make is: do not let a dollar go unspent when there are these kinds of needs and demands in the Province of Manitoba. I would ask the Minister of following up on some of her questions around spaces.

The Minister has indicated that the formula that is being used in terms of spaces has to do with a viability in terms of existing centres and need in certain areas.

But we have example after example where both criteria do not seem to be in force when it comes to allocation of spaces.

I can refer to the ongoing request from the Portage Day Care when it comes to adding to spaces in their centre to make them a viable and efficient centre, and still no word from this department, Mr. Acting Chairman. At least in the past there has been the courtesy of a response. This centre, like so many others, has not even had the courtesy of a response.

When it comes to high need areas, Mr. Acting Chairman, I can point to not just Pinkham (School) Day Care Centre which is right smack dab in the middle of our core area where there is clearly identified need and economic reasons for funding of a day care centre in the Pinkham school. On both counts there has been no action, little rationale, no way to understand how this Minister allocates spaces.

I would ask the Minister on this whole area, first of all, if, given that many of her allocations—these are being made midway through this fiscal year, obviously there is a saving to the department. Obviously this is more money that will likely go towards unspent dollars, that will likely end up being lapsed against the deficit rather than to spaces. Can the Minister tell us if she is taking that into account and using the dollars that are not spent and funding spaces and centres that are sitting empty right now, being fully heated, being fully equipped, fully furnished and going empty? Everything is there except the kids.

Yet this Minister refuses to fund them. Will she, at least on the basis of how she allocates spaces—and she knows that there is a saving here—ensure that those centres in high need areas and in those centres where two or three spaces will make them more viable and more efficient, will she act now and fund those spaces?

Mrs. Oleson: We have allocated, as we indicated in the paper that we issued to the Member, those spaces. If we possibly can, we will allocate more. There are many unmet needs out there. We know. We have a list of people who want spaces. We had to make a decision this year when we were allocating the funding for child care. We had to balance the various needs there; spaces was one need, salaries is another. There are many needs there. They all have to be balanced within the funding available. That is what we attempted to do. If we can allocate any more spaces this year, we certainly will.

Ms. Wasylycia-Leis: The Minister, in her handout, indicates that there are only 22 more to be designated by the end of this fiscal year for the City of Winnipeg. That is obviously not enough to even fund half of the Pinkham Day Care facility, let alone the number of other facilities that are sitting empty or are existing centres where two or three spaces would make a big difference.

Can the Minister then tell me if this means that Pinkham Day Care Centre will not receive any indication in this fiscal year for a start-up of their day care facility which is sitting empty, fully furnished, fully heated, and waiting to be funded by this Government?

Mrs. Oleson: Mr. Acting Chairman, the number the Member is referring to, the 22 by the end of the fiscal year, refers to family day care. We had made some allocation in an announcement for family day care and that 22 is for family day care. We certainly will, as I indicated before, be making every attempt to make use of the spaces that are available as we can allocate them within the funds available.

Ms. Wasylycia-Leis: Okay. So are there any funds available for day care centres in the Province of Manitoba and the City of Winnipeg? What resources are unspent? What spaces are unallocated? Why can we not see some movement toward at least day care centres that are just waiting, ready to be funded?

Mrs. Oleson: Mr. Acting Chairman, I would be a little more patient with the Member if, on the day that I was appointed and came into the office of Community Services—as it was then—every space that was wanted and needed in the whole of the Province of Manitoba had been allocated and funded, but there was a long list. There are a lot of needs. We are allocating them as quickly as possible.

* (1610)

Ms. Wasylycia-Leis: I would be a little bit more patient if the Minister would stop misleading this House and the people of Manitoba. It was a year ago in Estimates—I should not say a year ago, it was in our last Estimates, on October 17 as I said in the House—that the Minister said a number of times over, quite clearly, that she will fund day care centres in schools as soon as construction is complete. She made that point. I asked the question several ways over, she made the same point three times over. She clearly committed herself to funding day care centres in schools as soon as they were completed or renovated. She has failed to do so on a number of occasions. It is not just Pinkham Day Care centre; we are talking about Sister MacNamara as well. There are probably other examples. If I had the research capacity to explore this, I would probably be able to come up with a number of other examples.

The Minister made the commitment, she made the promise, now she is telling the people of Manitoba that it is not worth the piece of paper it is written on, her word does not count. Why does she not keep her word, stop misleading this House, tell the parents in the inner city who could fill the Pinkham Day Care centre four times over tomorrow if it was fully funded and operational? Why does the Minister not fund them? She promised to do so last year. Let us hear her answer this year.

Mrs. Oleson: Mr. Acting Chairman, I have indicated to the Member that as soon as possible we will be funding Pinkham Day Care centre. I will indicate again that we cannot possibly within the confines of the budget approve every centre that is able to be opened. If the Member would wish me to reallocate funds and not give a salary enhancement grant this year, maybe that is what she wants but we have to work within the funds available. When there is money to be reallocated we will take in every consideration and try to accommodate those centres that have major needs.

Ms. Wasylycia-Leis: That is clearly how the Minister likes to deal with this area, play groups off against each other, which is absolutely irresponsible on the part of the Minister. What we are asking for is clearly responsible action on the part of this Government to ensure a proper policy and program response to two critical areas in our day care community, and have pointed this Minister to some concrete ways in which she could do it rather than seeing millions of dollars lapse and go against the deficit, she could be responding to that crisis in the day-care community.

I would ask the Minister if she could give us a specific date on when Pinkham Day Care Centre will be funded and, further to that, when will Sister MacNamara receive funding for its input and preschool spaces?

Mrs. Oleson: Mr. Acting Chairman, as I had indicated to the Member, the Pinkham one is under consideration. I will let that organization know and the Member know as soon as possible. With regard to the Sister MacNamara, it is also under consideration.

Ms. Wasylycia-Leis: Let the record show that every time we get that kind of response and every minute that lapses, the heating bills still have to be paid for by taxpayers' money and parents and children have to keep scrambling for adequate day-care spaces.

Mr. Acting Chairperson, I would ask the Minister, since she has talked repeatedly about her Workplace Day Care Fund, why this fund went unspent last fiscal year when there were serious requests before her, which put those organizations in very difficult positions because she was not prepared to come through on her promise and why and what is happening this fiscal year? What is being considered in terms of funds out of the \$200,000 this year which went unspent last year?

Mrs. Oleson: Mr. Acting Chairman, we have proposals before us which will with every likelihood be funded this year with that Workplace Day Care funding. We would like to remind the Member too that with regard to workplace day care, the MGEA Centre is in the process of being established at the new Government building, so that is taking place. I believe that is 40 spaces.

With regard to the other, we have some interesting proposals before us from workplaces that wish to set up a centre and we are certainly working actively with those organizations to be sure it comes about.

Ms. Wasylycia-Leis: Mr. Acting Chairperson, I was asking not about spaces being allocated, I was asking about, in her own words, workplace innovations, workplace day care, your special \$200,000 earmarked for workplace day care which I believe she indicates will start up initiatives. Why were groups turned down in the past, good proposals turned down for accessing this workplace initiative, and what is it going to take for this Minister to start allocating out of that fund?

Mrs. Oleson: I had indicated to the Member that we are working actively with groups right now to take advantage of that fund and those decisions will be made

shortly. We are working with them to see when they can do their start up and how they can progress.

We have to also consider that we give them money for the up to \$75,000 grant, then we have to be able to allocate spaces to them when they get that built, in line of funded spaces, have to. That is one of the other items that immediately comes into place. We are working on that with organizations, businesses, companies that wish to put in child care, some of them very interesting proposals and those will be finalized in the near future.

Ms. Wasylycia-Leis: Since this fund continues to be unspent entirely—I was going to say underspent but it is unspent—would the Minister agree to forward some of the dollars from this fund to assist parents in the north end of Winnipeg who have been left stranded by the closures of Raggedy-Ann and Jefferson Mini-Skool, trying desperately to establish a day care of a non-profit nature, to provide the quality, accessible, affordable care that they want and have been left without for so long? Would the Minister agree to take some money out of that fund to help this group find a space so that they can begin to establish a day care in that community which has been neglected and abandoned because of the commitment on the part of this Government to support private day cares?

Mrs. Oleson: Mr. Acting Chairman, yes, my staff have been working with parents in that particular area to attempt to come up with a space and we are considering what help we will be able to give them.

* (1620)

Ms. Wasylycia-Leis: This group is working very hard at trying to establish a parent-run, non-profit, co-op day care but they need a little bit of help. These are all working people. They need some help in trying to find a place and get the proper facility and make the first steps. I am simply asking if this Minister will agree to a small amount of money to help this group start that process so that they can get on with the necessary job and provide the day care services that are needed in that part of Winnipeg.

Mrs. Oleson: I have indicated to the Member that we are working with that group to attempt to get a day care in place. All those matters are being taken into consideration. We are working with the group, we are not neglecting them.

Ms. Wasylycia-Leis: On the situation in that area, can the Minister tell us where is the appeal with respect to the Raggedy-Ann on McPhillips at?

Mrs. Oleson: Mr. Acting Chairman, it was scheduled for this month but the appellant had asked it to be changed. It has been rescheduled until—I believe it is next week.

Ms. Wasylycia-Leis: On the question of day care centres in schools, is the reluctance of the Minister to keep her word with respect to Pinkham School and

others, like Sister MacNamara, based on some second thinking that this Government has with respect to schools in day care? Could the Minister tell us if she is getting pressure from some of her colleagues not to support in any way the notion of day care centres in schools, and why a sensible policy like this is under review?

Mrs. Oleson: I have no pressure from my colleagues to tell me not to fund Pinkham Day Care. I do not know what the Member is talking about. I had indicated I will keep my word. That day care will be funded. It is a matter of getting it into place.

With regard to the whole subject of day care in schools, it was a new thrust by the NDP Government and it is felt that since it has been in place for a little time that it maybe should be reviewed. In talking with people in the day care field, I am sure many of them agree with me. There are some wrinkles that take place when something new like that is being done. I think it is a good idea to review it, but in the meantime, the policy is still in place as it was before, but it will be reviewed very shortly and we will proceed.

Ms. Wasylcyia-Leis: It is interesting that policies get reviewed when there is clearly no concern on the part of the experts in the field and the people involved in this area for such a review. There has been no call from the community for such a review.

I would ask the Minister with respect to reviews and studying, since that is about all we seem to be getting in the day-care field, why is this Minister and this Government and her working group or the advisory committee or whichever study group is doing it, looking at the whole question of the grant structure going to day cares? Where has there been a concern from the community about grants going from the Government of Manitoba to day cares to assist in providing quality, accessible, affordable day care?

Mrs. Oleson: Mr. Acting Chairman, I think it would be a great mistake on the part of any Government or any department or any part of a department to never review anything, to put something in place and forever carry it on ad infinitum and never take a look at how it is going. So I think it is important that all these matters be looked at with a view to how they can be improved, because, of course, when they are set up, they are set up with a certain goal in mind and we have to make sure that that goal is accomplished, that in fact we are running the best system we can.

We may find out in review that, yes, that is wonderful but we need to maybe change something along the way. All these matters, any matter of any undertaking in any department of Government needs to be analyzed once in a while to make sure that what you intended to do is being done. So, with that in mind, all these matters get reviewed.

The Member should recall in the discussions over child care last fall, of which there were many and very vocal, that many people expressed a concern about how day care is funding. Many parents want more funding, more salary to go to the child care workers.

Child care workers definitely want more salary; some are of the opinion that parents should pay more. There are all kinds of matters to do with the funding that need to be looked at from time to time.

We do not—at least it certainly is not my intention to put something in place and never review it and never take a look at it to see how it is working; that is an important factor. Are the taxpayers getting the most for their money? Are the people that we are providing the service for getting the service that we are funding them for? Just how are things working and how could we improve them? That, I think, is an important part of the function of any department.

Ms. Wasylcyia-Leis: I would just remind the Minister that in fact she has already studied this issue. I mean, she spent thousands of dollars on the task force. The task force reported back and it did make recommendations, such as: available resources should be concentrated on ensuring continued affordability; fees be maintained at levels that are affordable for most Manitoba families; and to ensure that all Manitoba families have realistic access to licenced child care services. She has her answer. She has spent thousands and thousands and thousands of dollars on a study. She has the answers and now she has decided to reopen it, review it again without any cry coming from the community, any day care groups anywhere for that kind of shift in policy.

I would simply ask the Minister if she can give her assurances today that under no circumstances will she or this Government consider changing the present system by which day care is funded and run so that it would result in a dramatically increased parent fee in lieu of direct grants to day cares in this province.

Mrs. Oleson: Mr. Acting Chairman, I would like anything that we would want to do in the department, what I would want to do is review it with an eye to improving it. If I can get a recommendation to me that clearly points out how we can improve the system, then I would want to take a serious look at it.

The Acting Chairman (Mr. Mandrake): Shall Item 4.(d)(1) pass—pass; 4.(d)(2)—pass; 4.(d)(3)—pass.

4.(d)(4)—the Honourable Member for St. Johns.

Ms. Wasylcyia-Leis: Just before this section passes, I would simply request from the Minister, a list of all requests for spaces, whether from new centres, existing centres; I would like a complete list of all requests before her for funding of spaces.

Mrs. Oleson: We can provide the Member with that information, not today, but at a later time.

The Acting Chairman (Mr. Mandrake): Shall the item pass? 4.(d)(4)—(pass); 4.(e)(1) Salaries \$1,066,700—pass; 4.(e)(2) Other Expenditures \$461,500—pass.

4.(e)(3) External Agencies \$2,711,200—the Honourable Member for Selkirk.

Mrs. Gwen Charles (Selkirk): Earlier this Session additional money was given to shelters in rural

Manitoba. In talking to the shelters in Thompson and the Interlake and so forth, that money was not put in, in order to fund crisis lines, and yet each of those shelters is funding crisis lines from the support services given by this Minister.

I would like to invite the Minister to give her overview of where she feels these monies are going and whether it is appropriate that the funds be channeled from shelter allowances to run the shelters themselves and make them viable with support services and to pay the staff as little as they are paid, at least be able to pay them rather than involve volunteers. Would the Minister please give an overview of why that money was increased to shelters, and why the necessity is taking place for it to be transferred over to crisis lines?

* (1630)

Mrs. Oleson: The Member is asking about rural shelters and the funding to them. When our Government came into power and we did a look at the shelter system in Manitoba, there were a great deal of inequities in that system. There were several shelters in the province that were calling me on a regular basis and indicating that they just could not function, the way they were funded. So we undertook to do, certainly, some research and some beefing up of the funds for those shelters.

We discovered, for instance, that in the small shelters like the one in the Member's constituency, the Selkirk Nova—is that the one?—the per diems, for instance, were \$6.90 for children and 13.60 for adults, which was causing them a great deal of concern, a great deal of difficulty. We undertook to, on an interim basis, raise that to \$30 earlier in '89 and then—I think that was the timing, if I am wrong—and then in this last budget, so that currently they are getting a per diem of \$45 per person whether it is child or adult. So that was a massive infusion of funds to those shelters to help them operate.

Then we gave, also, a grant to them, increased their grants for program funding. We did not stipulate to them exactly, as far as I know, just exactly the breakdown of how every dollar was to be spent. Those operations are run by boards and they make those decisions. Each of those smaller shelters do run some form of crisis line. The Selkirk shelter has written to me indicating that they are having some difficulty and would appreciate better funding for their crisis line. I recognize that may be a problem for them and we certainly will take a look at the funding. We did give, as the Member I am sure would appreciate, a massive infusion of funds into that whole area in this budget, but, of course, other needs emerge and we certainly want to look at them.

With regard to the Member's remarks about volunteers, it is my understanding that Osborne House and Ikwe both use volunteers, so they do not get a completely funded crisis line, with paying everyone, either.

When we were discussing with Osborne House and Ikwe—I remember one meeting where there were both groups together and discussing the setting up of the provincial crisis line—the Osborne House people

indicated at that time that they needed approximately 50 volunteers. Of course, some of the funding involved with those larger crisis lines involves training those volunteers, and there has to be someone knowledgeable in training to do that. So that is where some of the funds come in, but there still is a great volunteer component to that.

I just wanted to make the Member aware of that when she indicates that there are volunteers at Selkirk. I think in most centres there are volunteers still. We do not pay for every person that does that service. For instance, with the Selkirk Co-operative on Abuse Against Women—I am just trying to see the funding here—it was, in '87-88, 34.6; in '88-89, 59.3 thousand; and in '89-90, 75.2, making a difference of 15.9 thousand. We did increase their funding fairly considerably. That is in the program area as well as the per diems, so there were increases to program. From there the boards, of course, allocate the funding of what they will pay for salaries and so forth, but I am not casting aside the Member's discussions on the crisis lines. But the Member must realize that we have made a large contribution to that area this year, and still recognize that we may in future have to do some work in some areas. We have not got everything running perfectly yet.

I just remind the Member that we have put in those funds. I know Nova House has written to me requesting and suggesting that they may need some help for crisis lines.

Mrs. Charles: Is it my understanding that, as you pointed out, the programming section for both Thompson's and for the Interlake's crisis shelter, that a good percentage of that is being directed into these crisis lines. By claiming to have a provincial crisis line in the City of Winnipeg, there would seem to be some overlap of intention there, if not indeed of services.

I also understand that the Ikwe shelter in the City of Winnipeg was set up originally for Native groups. I certainly can support that and understand the need for that, but in looking through the telephone book, I cannot find anywhere that is identified in rural Manitoba as a Native shelter. Perhaps I am missing that, but I would like the Minister to point out if that is where the Native women of the Interlake would find that phone number, other than just as the provincial crisis line.

Mrs. Oleson: In Winnipeg, of course, the Ikwe is the Native shelter, and it has just opened. I do not know if they are going to capacity yet, but they were in the process of—I believe they moved the crisis lines out of Clinic in there early in December, and then they are working on moving into building. So that may very well be why there is no phone number in the book. But in the rural areas, people can phone their local or their nearest shelter to get help.

Mrs. Charles: My understanding is that the Natives in the Interlake will come to their local centres, or support services, and that in many cases a van will go out from Selkirk, from Nova House, to pick those women up and the families up, and bring them back into Selkirk

to be sheltered. It seems to me as if that service is being given reasonably well, or as well as is possible, in rural Manitoba. Yet, we have a Native shelter in the City of Winnipeg housing the provincial crisis line, which is not functioning for the group, but it was set there, both for rural and Native women, that it is not serving those people.

* (1640)

When I look at \$355,000 being spent on crisis line in the City of Winnipeg, I am wondering why equal money, or proportionately equal money, is not available in rural Manitoba—when \$15,000 is going to be set aside out of the shelter program in the town of Selkirk, representing all of the Interlake, and a similar amount out of the Thompson centre, in order to support a crisis line which is doing the job that is being funded in the City of Winnipeg. You cannot have it both ways. You are funding one of the services being given by shelters that are not being funded. So somewhere the policy is not working and, even though it is being set up, it is not being advertised or promoted in an equal basis so that the services are going to be delivered equally and fairly to all.

Mrs. Oleson: Mr. Chairman, if the Member will give the Ikwe shelter time to really get going and the crisis lines there time to get fully in place. I think her concerns will be alleviated because, if someone does not know where to call and has a provincial number, then the referrals and so forth will take place to the nearest shelter.

So all these things are planned and are supposed to take place. They may not be taking place quite as the Member expects right now, but the intention is to have them working in the very near future because of the fact that Ikwe is just setting up. I should indicate to the Member that the idea of the city crisis line and so forth was not my own. It came out of some very extensive meetings with groups who are involved in that service who made recommendations to me and to the women's initiative. Then subsequently, in listening to them, they convinced us that this was the way that we should go.

Osborne House should cover the City of Winnipeg and the Native centre should cover the rest of Manitoba and that was deemed to be the best approach—to have one province-wide number where you could phone if you did not, for instance, know where your closest shelter was or if, for some reason, they wanted to phone the provincial one, then the referral will be made. Ikwe would be calling the nearest one and the woman would get help. That is the way it is supposed to work. It may not be quite up to speed yet, but it is in the process of starting up. There has been a considerable amount of work done on training people in the native shelter to run crisis lines and to operate a shelter, because they were at the disadvantage of not having run a shelter before as Osborne House had done. They have, of course, for years. Now, they are undertaking this crisis line. They always did have a crisis line, but this is a beefed-up approach.

I might add that we are very grateful to Klinik for taking over that particular service when there was a

problem. They took it over on a short-term basis and ended up with it for a year and a half or so. We do thank them. I have written them expressing that thanks that they did that service for us while things were getting sorted out and we could get the buildings in place. Hopefully, the concerns that the Member has will be alleviated when we get things up to speed.

Mrs. Charles: I have been asked to limit my questionings because they wish to pass this in order to get on. I hope that we will have time in concurrence to further this. I have concerns, as you have obviously noted today, because women— It is not just the Interlake. I know of the Interlake, but I know Thompson area and other areas are similar because, unfortunately, this is pervasive throughout society and abuse does not occur just in the City of Winnipeg, nor in the Interlake, nor in any other areas, as we well know. We have so little support in rural Manitoba. We have no abuse counsellors per se, we have no mental health worker in the Town of Selkirk. We have so little support. We have distances to cover and it just seems, when we are stretching all the reserves and yet we see large numbers being focused into the city, that it has been a fight and we have to keep up that fight.

I would note as well that I believe in 1983, the Manitoba Committee for Abused Women had agreed on just the opposite of what is taking place now, that crisis lines should be regional and not centralized. I am not sure and, as I say, I hope I will have time to discuss with this Minister further why this decision came about when you have, within a short time frame of five, six years, two converse attitudes of how it should take place. I really have concern that a central agency will know the needs, and knowing rural Manitobans, their dislike for phoning numbers outside their district, the fear of Winnipeg, the big city, the whole fear of bureaucracy, that they would be much more comfortable in their own region and looking into regionalization. I will leave those comments and hope we can come back to this in concurrent.

The Acting Chairman (Mr. Mandrake): Shall item 4.(e)(3) pass? (pass)

4(f)(1), Salaries, \$238,800—the Honourable Member for Ellice.

Ms. Gray: Moving into Children's Special Services, I asked the Minister—this will be the third time I have asked this question in Estimates so I am assuming, now that we are in this section, the answer should be right there.

Can the Minister tell us, did respite workers who provide respite to children receive an increase in this year's budget, and was that increase the same as any increase that would be given to respite workers who provide services to adults?

Mrs. Oleson: The Member asked if there had been any increase in the wage rate for respite workers, and if workers who provide respite for children are paid the same as workers who provide service to adults.

I advise the Member that the Department of Family Service presently pays the same rate to respite workers

servicing children and adults. The Department of Health pays a somewhat higher rate through some of its programs.

No wage rate increase has been announced yet for the current year. It is expected, however, that increases may be announced along with numerous other wage rate adjustments when the Manitoba Support Services Payroll system becomes operational. There have been several delays in MSSP implementation due largely to technical problems. Final decisions on modified wage rates have not yet been made, but will likely be announced very soon.

Ms. Gray: Can the Minister assure us that any wage increases for respite workers will be identical whether those respite workers service children or whether they service adults?

Mrs. Oleson: That is currently under review and announcements will be made later.

Ms. Gray: I would hope the increases would be identical since the respite workers are certainly the same in many cases.

Mr. Acting Chairman, one final question in this area. I see there is a manager in Children's Special Services and a number of staff. Given the Minister's answer the other day, or then my explanation on what a program was, can the Minister just clarify for me, is Children's Special Services considered a program, or is it just simply an activity under another program?

Mrs. Oleson: Mr. Acting Chairman, we consider it a program.

Ms. Wasylycia-Leis: Mr. Acting Chairperson, one quick question on this section since it does cover some ground we have already covered. I have asked before the questions from the Minister about pediatric services for children in rural Manitoba. I would ask that again in light of the article in Saturday's Free Press in Mike Ward's column about the Ducharme family. I would like to know why Brian Ducharme was not getting any speech physio or occupational therapy in Brandon? What expertise is available in Brandon? Do you have any proposals to provide services there? To what extent has this Minister put in place policies that will support the integration of disabled into day-care centres? To what extent are child care staff being trained to deal with children like Brian?

I think this article has brought to light all of the questions that we have addressed before and some new areas. Can the Minister give us a quick undertaking to review this matter and provide the necessary services that are clearly required in rural Manitoba?

Mrs. Oleson: Mr. Acting Chairman, I cannot give the Member an answer right at the moment as to why they were not receiving them in Brandon, but they are receiving them in Winnipeg. I have asked the staff to review that whole case and bring a report to me on it.

Ms. Wasylycia-Leis: Would the Minister ensure that she gets that report, either tables the report or gets it to the critics as soon as it is completed?

* (1650)

Mrs. Oleson: Mr. Acting Chairman, it will be an internal report to do with social assistance and matters pertaining to families. It is not something that would be customarily tabled in the House.

The Acting Chairman (Mr. Mandrake): Item 4.(f)(2)—(pass); 4.(f)(3)—(pass).

Resolution No. 46: RESOLVED that there be granted to Her Majesty a sum not exceeding \$140,551,700 for Family Services, Child and Family Services for the fiscal year ending the 31st day of March, 1990—(pass).

Item 5.(a)(1) Salaries, \$1,085,800.00. Shall the item pass?

Mrs. Oleson: Mr. Acting Chairman, item 4. Did you read the No. 46 Resolution? Has that been done?

The Acting Chairman (Mr. Mandrake): Yes.

Mrs. Oleson: Okay. Sorry about that.

The Acting Chairman (Mr. Mandrake): Item 5.(a)(1) Salaries, \$1,085,800.00. Shall the item pass—the Honourable Member for St. Vital.

Mr. Bob Rose (St. Vital): Mr. Acting Chairman, first of all, I understand Ministers agreed that we do not have to go line to line in these departments. I appreciate that because we are limited in time remaining for Estimates and so it is obvious that, to get through the highlights of—

Mrs. Oleson: Mr. Acting Chairman, I am certainly agreeable to going line by line if it does not, from a staff point of view, have some conflict with the employment programs and the economic security. I may not have the right staff here for the question. If the Members will take that into consideration, certainly we can proceed.

Mr. Rose: We sure appreciate those remarks and we want to show our appreciation to the Minister for agreeing to that. So we will try and be not as disruptive as possible and bring it to our attention, and I am sure that we can take care of that. Mr. Acting Chairman, in regard to this department, I would like to get perhaps some indication from the Minister as to after 20 years—20 years, it seems like 20 years—20 months in Government, sitting through these Estimates—what am I going to be like at ten o'clock tonight?

After 20 months there is, I am sure, a different perspective on the part of the Minister of the department, somewhat different, I am sure, than the remarks and the thoughts that she had in Opposition, just like my thoughts will perhaps change at such point.

When we first came in here, into the House, we could see that—and I think that we in the Liberal Party were not as critical perhaps as we should be, because we acknowledged, I think in letters and words, that it was quite a bad scene that was inherited by the Government

as far as this department, and indeed other ones. It would take time to adjust and discover what the problems are and find solutions.

The Minister has had a lot of time now to study those problems in her department and make adjustments. Unfortunately, from my standpoint, both from a funding standpoint and from a standpoint of service in the department, I really do not see too much of a change in the department. I do not see—in fact, in some respects I see some deterioration in some of the services, and particularly in the attitudes toward the consumers of these services.

I would like the Minister, after having said that, to give me sort of a rundown, give the House a rundown of what changes have been taken part both in philosophy—I know what changes have been taken part as far as funding is concerned. If she could just give me an idea of her philosophy. I guess what I am really saying is that I am wondering just what kind of a Minister we have here when we see all the need in the community.

We see the resource that is needed to stop the poverty and the results of poverty, the crime and the illiteracy and the vandalism and what have you. When she sees that, and now has had 20 months to see it first hand, I would like her feelings, if she could briefly, as to how she approaches Cabinet on that, and what sort of approach that they may come back with. I feel that this is a Government unlike the Liberal Government in Ontario, that does not really have a heart for these people. I am wondering if this is because of the Government, or the Minister, or the administration. I am certain that it is not working to the advantage of Manitoba to have the degree of poverty and need that we have.

With the time remaining before 5 p.m., if the Minister would sort of respond. I would be very interested, before I start at the real nitty gritty of my questioning, to really see what philosophies we are looking at here.

Mrs. Oleson: The Member has raised a number of subjects there, and I will try and respond as best I can to his concerns. He is talking about the philosophy of this Government with regard to social assistance, I assume.—(interjection)—It is part of the department. I should mention to the Member that we also have employment programs and so forth within this, in case he has not noticed.

Anyway, I think it would be fair to say that the department is operating in much the same way as it had been operating. It supplies assistance to those people in need. My Government is concerned that people in need receive care and assistance when they need it. They are also concerned and interested that people have employment wherever possible, that they should be encouraged to be self-sufficient, and with that in mind we have continued and built upon the programs that were in place with regard to helping people to be able to seek employment to be self-sufficient. I do not think that anyone wants to be on social assistance. They want, when they are able, to be able to support themselves and to be responsible

for their own affairs and how they spend their money and so forth.

Having said that, we recognize that there are people on our rolls who are handicapped, who are not able to look after themselves and require our assistance and we are, wherever possible, supplying that assistance to them.

First of all, I should say that soon after we came into Government we had an audit done on the department. An outside group did a study of how the department, the employment part, was operating, particularly with social assistance. The auditors reported to us that, in the sampling they did of 300 cases, they found only two or three cases where it might be said that there was abuse of the system. So the department is applying their necessary rules and regulations to operate the program.

I should also say that since we have been in Government we have twice raised the rates for social assistance. Last year, I believe, the figure was 3.9 percent to reflect the overall CPI costs and in this year we have undertaken to increase it by 4.9 percent, again reflecting the overall CPI, so that people will still be able to have some increase in spending power so that they will not suffer because of inflation going up. So we had increased those rates and we have increased the rent rates with regard to the Rent Regulation Bureau of their 3 percent. So we have kept abreast with those things.

We have also undertaken, just last fall as the Member will recall, the change with the single parents to go immediately onto provincial social assistance. That has been a thrust that we have taken to help those people so that they will not have to go through the problem of, in a short time applying in one place and then re-applying and, when they are very often in a crisis situation, that certainly is helpful to them.

We also have dealt with the subject of children's earnings and that allowed children to keep their earnings. That before had been considered part of the family income; it is not now. They are allowed to keep those earnings and I think that will go some way to foster feeling of independence and a feeling within young people that it is good to have a job and earn money and then not have it confiscated. All those things should tell the Member that we have concerns with people who need our help. We are there to help them, and we have increased our spending in that regard.

Mr. Rose: The Minister has made public utterances that for people on social allowances the money is adequate. I wonder if she really thinks when she sees the hardship in the poor parts of Winnipeg if that is true, and how she feels when she sees Ontario put \$415 more million on the table for this type of program, and how she approaches a Government who wants to put away \$200 million at the same time where there is so much need in the province. Does she really believe in her own heart that the amount of funding that is out there and the hardship is adequate, or was she misquoted in the papers?

Mrs. Oleson: The department undertakes a constant review of prices and sets the rates on—they do not

just pick them out of the air, they set them on an example, Agriculture Canada's Food Basket. That is the example they use and then we respond to the cost of living increases. I think the Member should realize that takes place. With regard to whether or not it is adequate, I do not think you would ever get to a place in any program such as this where everyone was happy with it and everyone was satisfied that this was enough. There are always problems, but we make every attempt to increase the funding to it. It increases every year.

He remarks that the Province of Ontario spent \$450 million. I think perhaps you better do a little comparison of the population of Ontario, of the cost of living in Ontario. There are a lot of factors come into this. It is very simple to say that they increased it by \$450 million, but what is that based on? How many people, and so forth? We increased ours by 5.3 million by raising the rate 4.9 percent, so every time you raise it, it has a large impact on the Treasury.

* (1700)

The Acting Chairman (Mr. Mandrake): The hour being 5 p.m. and time for Private Members' hour, I am interrupting the committee proceedings and will return at 8 p.m.

Call in the Speaker.

IN SESSION PRIVATE MEMBERS' BUSINESS

Mr. Speaker: The hour being 5 p.m., time for Private Members' Business.

PROPOSED RESOLUTIONS RES. NO. 30—ENVIRONMENTALLY ACCEPTABLE PACKAGING

Mr. Harold Taylor (Wolseley): Mr. Speaker, I move, seconded by the Member for Selkirk (Mrs. Charles), the following resolution.

WHEREAS disposable food and beverage packaging constitutes a significant proportion of Manitoba's waste stream; and

WHEREAS non-returnable, non-biodegradable, non-recyclable and non-compostable plastic packaging products are replacing paper packaging; and

WHEREAS discarded packaging comprises a visual offence when it litters the environment; and

WHEREAS human health and the environment are adversely affected when plastic food packaging products are:

- (a) dumped in landfill sites where hazardous chemicals can leach into the ground water;
- (b) incinerated thereby releasing toxic by-products, and contributing to problems of disposing of ash residue; and

WHEREAS the Government of Manitoba should take a lead role in assuring the promotion of environmentally sound policies.

THEREFORE BE IT RESOLVED that the Legislative Assembly of Manitoba urge the Minister of Environment to consider bringing forth legislation which would ban the use of non-returnable, non-biodegradable, non-recyclable, non-compostable food packaging materials, and promote the use of paper based products wherever reasonable; and

BE IT FURTHER RESOLVED that such legislation would exclude disposable plastic utensils and drinking straws.

MOTION presented.

Mr. Taylor: Mr. Speaker, the age of plastics is certainly with us and plastics of various sorts, including the very styrofoam cup I have on the desk in front of me which, I might add, is at the request of our very own Honourable Speaker and is a case in point—no different than the styrofoam that we are seeing used more and more in the packaging of various food products, whether it be the styrofoam package for a dozen eggs that one gets in the grocery store today or the styrofoam plate with the portions of meat that are sold at the butcher counter that one picks up when doing one's Saturday shopping. These sorts of products are with us all the time.

The resolution before us today deals with two types of food packaging, that which we buy as a consumer in a store and that which we buy as a consumer of fast-food meals. In both cases we have serious problems, problems of volume of fill going to municipal garbage dumps, and also the problem of what to do with that package, not just from a volume viewpoint, but how one does dispose of it finally. Does one let it very, very slowly biodegrade into the ground and leach out chemicals which are undesirable and which can have detrimental effects on the local ground water? Or do we burn it and put those same toxic products in another form now, into the air, with problems of toxics into the air and problems with toxic ash residue left over?

Mr. Speaker, we need solutions to these types of problems. We are all a party to it. We all buy products that are of this nature. Until we as a society start saying, enough of these plastic products with all their problems. How about looking at biodegradable products? How about looking at re-usable products? How about looking at products that can be re-used, such as soft drink bottles. Why are we now using soft drink bottles that are almost entirely in plastic? Because a sales pitch has been done that says, because we are recycling, we should therefore use this.

I put forward the premise, maybe we should be re-using first. Recycling can come afterwards. First of all, we should be reducing the volume of the packaging itself. Secondly, we should make certain that packaging, if it is possible—even one re-use is much better than what we have now, which is total disposability. We have become very much the disposable society. Everything gets used once it seems, or for a very short period of time, and then thrown away. I think the time has come where we can no longer wantonly go on with that practice.

* (1710)

We should try and have re-use as much as possible, and then when we do not have re-use, biodegradability, so that the product will break down, go back into some other form as easily as possible, or can be re-used in another way. Many types of paper-based and cardboard-based products can be re-used. They can be broken down, and the fibre re-used for another totally different product. That is not the way the thinking has gone. Because it was easy to package up food in this fashion, we have gone away from those paper and cardboard products. We have gone away from them at an enormous rate.

It is rare now, very rare, that one can find meat put on a cardboard packaging plate in a grocery store—very rare indeed. We also have the interesting thing of the plastic covering that goes around that meat. Somebody wants to put that meat in their freezer and keep it for future use. Because of the nature of that particular plastic product, if you really want to save that meat from freezer burn, you will have to double bag it, not once but twice, the reason being is that the type of plastic that is used to wrap around the meat for display purposes in the store deliberately has minute air holes in it. It is not air tight.

The reason it does that is so that for red meat products, there will be oxygen going through that Saran—and I use that name as a generic term, not as a product term—but the oxygen will go through that Saran to keep the meat red, so it looks good, it looks appetizing on the butcher's counter, not that it is doing any good for the product. Certainly, it is not a very good product to be wrapping your meat in, in the freezers. That is why you bring it out after only a month or two and there is already freezer burn on it, because it leaks air. So what we are saying is, let us use products than can be re-used. Maybe we should have a little less consideration on the breathing of that product, and use a product that could be re-used by the shopper, by the consumer, in their home.

I have before me, Mr. Speaker, a by-law, an ordinance if you will, from the City of Minneapolis to the south of us. That jurisdiction was having problems with its landfill site. Landfill sites were being filled and filled too fast. Neighbours were objecting to the creation of new landfill sites, and they were also objecting to the effluents that were coming out of it, both waterborne and airborne effluents.

The solution to the City of Minneapolis, Mr. Speaker, was to come out with an ordinance dealing with acceptable packaging. I would propose that we should be looking at something similar for this jurisdiction. We have heard much of the rhetoric from the Government benches about sustainable development. This is an opportunity, I would suggest, for sustainable development to take a solid form, a form which would mean leadership by this Government in the establishment of a piece of legislation which would say that for fast food packaging and for packaging of products in grocery stores, wherever possible, the striving would be away from the plastic product which resists deterioration in nature, which is not easily biodegradable, and if it is biodegradable, can cause very serious pollution problems.

The orientation of the legislation, Mr. Speaker, must be toward re-use, even on a one-time basis, but it must be toward re-use. It should be also toward reduction in the sense of the smallest or the simplest packaging possible so that bulk ceases to be as much of an issue as it is today.

If anybody has been to a fast food chain in recent years in which your hamburger is packaged in one of those Styrofoam boxes that opens up, and you can drop the french fries on the far side of it and here is your package. If they knew the problems of biodegradability of a product like that, I think everybody would start demanding, would you please put it in a cardboard box. The cardboard boxes are available.

Mr. Speaker, before Christmas I saw an article in our local newspaper that indicated that restaurants were starting to think along these lines. It was one of the most heartening things that I have read in a long time. It says that we are, as restaurateurs, as packagers and purveyors of fast food, starting to become sensitive and look to the environment and to the comments of our customers.

I emphasize that latter point, because the comments of the customers are going to make all the difference. The merchants will listen because it is advantageous to them, because customers will go to the merchant, to the restaurateur, to the grocer who supplies the product in the biodegradable container. They will make their decision with their feet, and those dollars will speak. That is the sort of thing that certain people have recognized. We have seen some of the chains start to convert, such as Burger King, such as McDonald's. We have seen others unfortunately resist a bit. I would say those organizations are taking quite a dare if they do not respond in this fashion.

People do not think about the hazards that come out of the products. They think only, well, they take a long time to biodegrade and they are litter. They are litter; they are both of those. We should be looking at cellulose-based packaging as much as possible and away from plastic packaging, whether it is the polyethylene, terephthalate, or whether we are talking high density polyethylene. Both of those plastic products should be put on the hit list as not want type of products.

We have to look at a piece of legislation, Mr. Speaker, that would have teeth to it and in which there would be an enforcement capability, in which the rules and the regulations would be quite explicit. There would be no question of what is required by an operator. If an operator had certain products in his store but not yet on sale, the assumption would be that those products would be for sale. The enforcement would be that sort of product is not acceptable for Manitoba.

This is the sort of leadership I would look to for this Government. We have not had this sort of matter come forward yet. I see our Honourable Environment Minister (Mr. Cummings) on yonder bench, and I speak to him in all seriousness to consider this type of a resolution as a practical solution to some of the garbage problems that we do have. We only have to look here at the City of Winnipeg. I know many of the Members are from outside of the city, but many of them do live here when

the House is in Session—and I think from reading the local paper they get to realize that the problems are serious, and it becomes so also for the smaller municipalities around the province as well. Sometimes it is easier to hide the fill sites, the dump sites; the problem still remains.

* (1720)

These products can pollute the subsurface water table; if they are burnt, they can also pollute the air locally and there can be a serious problem of disposing of the ash.

So the solution here is to say, what is it that we want as a society? Set the level of expectations quite clearly, Mr. Speaker, and give forth with a piece of legislation which will be in the vanguard in this area, as opposed to the following “me too,” as the last of the jurisdictions in this country to come up with something like that.

I would say that the initiatives we have seen so far by this Government have not been wrong, but they have been tiptoeing, they have not been forceful, they have been tentative. They have been part of the solution; they have not been the whole solution. I would ask that the Minister, in that he is with us here today, take a serious look at this idea, and if he is prepared, I would be prepared to talk with him and to talk with staff about some of the experiences in other jurisdictions which could be of decided benefit to Manitoba.

The general population is much more aware, as I said before, than many of the politicians, and that goes for the provincial level as well. On issues of the environment it is the grassroots. The average person is saying, we expect to have a better system of protecting the environment, a better system of environmental laws. With that expectation, woe betide the Government that does not answer that cry for assistance and help and leadership and direction.

So with that, Mr. Speaker, I will ask the Government to seriously consider developing legislation of this nature for Manitoba. Thank you.

Mr. Harry Harapiak (The Pas): Mr. Speaker, I am pleased to stand and speak on this resolution dealing with environmentally acceptable packaging. Environmentally acceptable packaging is a subject that has been on the general public's mind for quite some time, and there are many people who are involved in bringing forward more environmentally acceptable packaging. It was just during the Christmas period there was a story on how McDonald's was moving into that field and separating their packaging that could be recyclable. I think that the general public is much more willing to participate in dealing with products that are environmentally sound and acceptable.

There are more and more entrepreneurs getting into the act of how they could be dealing with some of the waste that is caused by packaging. We, as consumers, can have some input into that by buying packages that are much more environmentally friendly. I think that one of the areas is egg cartons; you can buy egg cartons that are made out of wastepaper which are biodegradable and will biodegrade very quickly. You

can buy the egg cartons made out of polyester which would take a much longer time to biodegrade and, therefore, they are not as acceptable to the general public.

I think the consumers are the ones who are going to have to start making some of those decisions when they are shopping, because in the end it is each one of us that is going to make the decision that it is going to be saving us dollars as we come. We, as a society, are going to have to dispose of the waste that is filling up our landfill sites and littering our—out in the countryside there is paper blowing all over the place and Kentucky Fried Chicken containers and all those eyesores.

There is one person in the United States, a fellow by the name of Howard Burr who has come up with a unique way of handling the—all of the containers in society, and that deals with more than just containers of fast food outlets but all the containers that we as a society create. He set up a process where you could dispose of all of the waste that we as a society create. He not only was disposing of articles like glass bottles and junk refrigerators, and cardboard boxes and any other type of disposable material that would be out there.

He made a process for recall it, convert it system, where garbage is shredded twice and it is seeded with a bacterial inoculant and that is stacked in windrows all indoors and when the inoculation is finished they are turned into fertilizer. These rows are turned over every three days and the windrow temperatures rise because of the fertilization that is taking place to 77 degrees Celsius temperature, and all of the organic materials like paper, wood, food and waste are digested by the bacteria and they are turned into fertilizer. He could not get a process for it in the United States for marketing it, so he had to go to Jamaica to have the process operate and when he was doing it successfully there was a change of government and he had to leave Jamaica.

Now the United States have become—have difficulty disposing of their disposable waste so they have come forward and they have asked him to set up the process in the United States once again. So he is setting this process up and I think it is a process we could look at, because if this process is used the way he has it set up, and he has proved it can be done, then all of the material can be used for compost or as a soil supplement and he shreds everything, rubber tires and glass and metals and refrigerators and everything that we are faced with in society, and there was a very effective compost fertilizer used for many areas of planting and it was a very effective process. It is somewhat of the entrepreneurial spirit that is out there that we need to call on so that we can come up with dealing with some of the products that are out there.

The other article that I recently came across was dealing with plastics again. It was dealing with recycling today for use tomorrow. It is again an American corporation that is set up in Washington, D.C., and it is dealing with disposing of some of those wastes that are coming in.

I think the public has shown quite clearly that they want to participate whenever they can, so when there

is a place like McDonald's or A & W, if there are different areas that people can put their containers in, the public is more than willing to participate in a project of that sort. I think, when we know that the research has been done to show that plastics can be recycled for use again, then I think we should be looking into it and seeing how we can participate in it as well.

* (1730)

He goes through the whole process of how the materials are brought in to a central location, and then once they are inside they are washed and put through a hot water storage, a filtration system, which makes them completely agreeable for re-using. He comes up with a large number of products that he can be making out of them again. The process has built up into a business where he has 21,000 square feet and a four acre site, and he is going to have to be expanding because of the volume of the plastic materials that are coming in to him so he can be using it.

There are many uses for this recycled plastic. They come from the food packaging and service route, but they go on to non-food applications. I have seen some of these products made into chairs or picnic tables or many products that can be used, as long as they are not for use with food. They can be re-used over again once they have been recycled, and they can be recycled once again. So there is no end to the number of situations where you can use them. You can use them for coat hangers, or making pots for replanting, or many containers, or key holders. There are just an endless number of products that he named here that they can be using.

I will give this to the Minister when he goes to speak. I am sure he has probably seen this, but I think this is one area that we can be looking at and putting some of those ideas into practice.

Mr. Speaker, when we had our environmental task force go around the province, there were many people who made presentations to us dealing with recyclable material. I think some of the frustrations of the people who live in areas outside of Winnipeg, and of course even in Winnipeg, because prior to that project being put in place in the Wolseley area there was no place where people could be taking their products. But now there are more and more people who are becoming involved in it.

I know Versatech is one industry that is involved to quite a large degree in working with recyclable materials. I think they should be commended for the progress they have made in that area. I think another corporation that needs to be commended for the role they played in recycling materials is the Manitoba Soft Drink Recycling Inc. as well. They have come to the point where they are picking up recyclable materials in many of the larger shopping malls practically every Saturday. Anybody who wants to help clean up the environment, clean up his surroundings, can gather all the plastic materials. They could also take in glass at this time. I think that the Manitoba soft drink association has done a tremendous job of taking leadership in that area as well.

Mr. Speaker, one of the frustrating parts in the North is that there was not any place where people could bring their recyclable materials into that area. But now there have been a few places opened up. I know The Pas has an outlet where they are taking in material now all year round, rather than just during the summer months. In Flin Flon there also has opened up a depot station where people can bring their materials in. So I think that the public has shown that it is willing to participate in any way it can.

I want to urge the Minister to look at some of these suggestions that were made as to where some of the recycling material can be used. I know that the Blue Box Program in Ontario is being hindered to a degree because there is not enough market for some of the products that are being brought in by the general public. I know that in Wolseley the people there are participating to a very high degree, which we knew they would. When given an opportunity, I think most people are genuinely concerned about the environment. Everybody wants to do their bit of how they can help clean up the environment.

I know I was in—

An Honourable Member: Wolseley is in the bag.

Mr. Harapiak: Yes, Wolseley is in the blue bag, so that may have some interesting connotations. If the Minister figures it is in the blue bag, then they may have a very interesting race whenever the Parties in this House agree that there should be a general election. I think maybe we will see who is in the blue bag or the red bag or maybe it will be an orange bag.

Mr. Speaker, this is a very important resolution. I know that when people are concerned, they do not want to be discarding packages that not only cause a visual offence but, I think, litter the surroundings. I think people want to play a part when it comes to cleaning up the environment. I guess I started saying, when I was interrupted by the Member for Wolseley (Mr. Taylor), that I was in Grand Rapids and Easterville last fall. The students were asking how they could participate and what they could be doing to making a contribution to cleaning up the environment.

When I told them about some of the projects that were going on in the City of Winnipeg, where the young people were gathering aluminum cans and also gathering some of the plastic bottles that were around, they made a commitment they too would do that, not only as a fundraiser, but they would also be helping clean up their own community. I have to give them credit. They did gather quite a large amount of material that had been previously garbage, but now they saw where there could be some use for it, and they were starting to gather it.

Another group that has done a tremendous job of helping clean up along the highways is 4H. Every year for the last several years the Government has always put aside some money for the 4H to come and clean up along the highways. Not only does it improve our highways to make them more attractive for the tourists that are coming into the province, but I think that it is

also cleaning up the environment to stop those from clogging up the ditches and just being an eyesore.

I think that when the people are given an opportunity, they will participate. I think the Minister should look at this resolution and see how we, as a society or as a Government, Members of a Legislature, can bring forward some legislation that will make it a little easier for corporations and individuals to participate in using more environmentally acceptable packages. I think that you will find that the general public is willing to participate in that subject. Therefore, I would urge the Minister to do what he can to make it more convenient for people to participate in this, be it with food packaging or recycling or promoting the use of paper-based products whenever reasonable. I think that the Minister should move on this very quickly. Thank you.

Hon. Glen Cummings (Minister of Environment): I am pleased to have the opportunity to say a few words in connection with this resolution. First of all, let me indicate that I am sure there is no disagreement between Members on this side and Members of the Liberal Opposition or the New Democratic Party Opposition in terms of wanting to proceed with actions that will help to make sure we are doing everything within reason to: No. 1, deal in a safe manner with packaging products so that we do not have a situation where we are deliberately doing something that is environmentally unfriendly, or that we attempt to minimize impacts of what is happening.

I would only indicate, before I start into some of the details of my thoughts on this issue, that the Member has correctly identified in the resolution with the very end with his, be it further resolved that such legislation would exclude disposable plastic utensils and drinking straws. He has correctly identified that there is more to getting on with dealing with packaging and other waste products in the waste stream than just passing legislation. Putting legislation in place without considering all of the ramifications of it can be problematic.

That is why, in the introduction of The WRAP Act in this Legislature, we have indicated that a great deal of the force of that Act would come from regulations that are imposed on a very specific basis to deal with parts of the waste stream. But I would like to take a fairly wide-based look at what we are talking about in relationship to dealing with environmentally acceptable packaging.

One of the problems that we have in this country is that we are a huge country, widely spread, with divergent responsibilities in different provinces, in different needs and demands across the various provinces, but we are interrelated, we are a country. We are also interrelated to the north and south in relationship of trade and products. Therefore, one thing that we need to consider carefully is what impact we would have with certain regulations that are specific within our province, and therefore, could have some very local impacts, what global impacts would these have. Certainly, I support the concept of thinking nationally and acting locally, having ultimately the best, or thinking globally and acting locally as having the best impact for the environment.

* (1740)

I would like to point out to the Members of the Legislature that Manitoba is presently participating in a national task force put together by the Canadian Council of Ministers of the Environment to develop a national packaging protocol for early 1990. This would set targets and schedules for the minimization of packaging waste, the goal being 50 percent overall reduction of waste generation in the packaging industry by the year 2000.

I would make an off-the-cuff remark in relationship to that, Mr. Speaker, that I think 50 percent reduction in packaging by the year 2000 is highly attainable because we intend to do better than that on the overall waste reduction of solid waste within this province. If we can do that in total then I am sure that we could probably do better than that in terms of packaging, but there are some nuances in terms of packaging. I know that the Member for Wolseley (Mr. Taylor) was referring to some fairly specific concerns but there are some other factors that are worth considering when we look at packaging as a whole, and the environmental friendliness of what we might be doing.

Some figures put together by the Council of Ministers indicate that wood makes up 15 percent of the packaging that is used in this country. I presume we are talking about the strong wooden cartons that are used to ship probably heavier equipment and things such as refrigerators, although certainly we have gone to a lot of enforced cardboard in that area as well. Paper and paperboard make up 44.8 percent of the waste stream and packaging in this country. In fact, what we have is 45 percent of the packaging in this country which is recyclable, being paper and paperboard, one of the easier items to recycle. What we need is a system to get that material back into the manufacturing level, complete the loop in the waste stream. If we can do that we can go a tremendous way toward reducing the volume of waste.

The Member refers in this resolution, or in his comments regarding the resolution, to plastics and glass. Interestingly enough, I would have to indicate that my concern does centre around plastics in this province and across the country because plastics are approximately 15.8 percent of the waste stream and glass, by weight, is 15.5, so that indicates a tremendous shift away from glass and into plastics. If we look at the comparison of those two I would have assumed that glass would have made up a larger percentage of the waste stream simply by sheer magnitude of the weight that could be involved, but that apparently is not the case. Steel makes up 7.3 percent and aluminum 1.4 percent. Yet when we look at waste clean-up and disposal problems, one of the first things we look at are aluminum drink containers and we say that is the vehicle by which we can clean up all of the packaging problems in our province.

Obviously from what those figures indicate, when you take a global look at the waste stream, the packaging waste stream, there are more than what we normally think of in terms of glass, plastic and aluminum and small amounts of steel as being the main culprits. Plastics, of course, have a compounding problem

because plastics are made from a non-renewal resource, and as the Member for Wolseley (Mr. Taylor) correctly identified, incorrect disposal of them and incineration will lead to emission of products into the atmosphere that are highly undesirable.

Now, in its process, looking at a packaging protocol across the country, this committee has looked at other areas. If we could point out to the coalition of northeast Governors, they established guidelines and their first recommendation was that there be no packaging. If that cannot be achieved—then minimal packaging. Thirdly, if that cannot be achieved—consumable, returnable or refillable packaging. If that is not achievable—then recyclable packaging made out of recyclable material. That is the protocol of which they wish to work towards.

What the Canadian national task force on packaging has said is that they will set out protocols. They wanted part of an integrated four R's approach, which we all have become familiar with over the last number of years, and apply this to all domestic and imported packaging products. If it is applied only to domestic packaging then of course you create a large inequity of what is shipped into the country. It must be sensitive to, and ideally compatible, with the provincial initiative. This is one reason that I, personally, and I think all other Environment Ministers across the province, have not moved head over heels in certain directions, because there does need to be some sensitization to what the impacts would be on local producers, what the impact will be on materials coming into the province as well.

We have in this province some very significant packaging producers who want to be able to continue to be competitive on a national scale and are quite prepared to be competitive, but if they are taxed locally and their product is suddenly driven out of competition that would be an unfortunate situation to put them in, even if their product might be a recyclable one. There has to be that type of recognition whenever a packaging protocol is put in place. We do not want to place the Canadian manufacturers or converters in a competitive disadvantage, Mr. Speaker.

This committee will be reporting early in this year. A national workshop is going to be finalized in mid-February, but they have had meetings across the country which are now pretty well completed. As part of the CCME, I hope to be very much involved with the decision that comes out of CCME about a national packaging protocol. I will commit ourselves as Government of this province to co-operating and moving quickly to align packaging controls in this province with a national packaging protocol.

Certainly, this is a little bit different than the CFC issue, because we know full well that on CFCs what we need to do is find a replacement. Until that time, we need to collect and capture as much as we possibly can or force usage of alternatives.

The same thing will follow with packaging, but we are dealing with something that is a lot less specific and affects an extremely broad basis across the country. Certainly, we hope to move very quickly once we have had all of the information at our fingertips.

I think another aspect that needs to be brought into this debate, Mr.

Speaker, is various regional approaches. I have had an opportunity to examine what happens in an area when waste is incinerated, for example, and whether or not that is compatible with recycling. There are many people, including some very important environmentalists, who have been on record as saying that any place that there is an incinerator installed, a recycling program cannot be put in place.

I believe that there are two sides to that argument, because in fact where an incinerator is in place, it very quickly becomes apparent to the operators of the municipal incineration equipment that yes, they can reclaim the BTUs out of the product; they eliminate their landfill costs because they replace the tipping fees at the landfill with tipping fees at the incinerators; they get rid of an eyesore, but they very quickly come to realize that the one thing that will give them extra capacity for their incineration dollar is to have a recycling project in place in advance so that they get more and more of that material out of the waste stream because eventually, as the incinerator reaches its capacity, the only way you can increase that capacity is to eliminate some of the material by separation in the waste stream, either at the site or at the doorstep, or somewhere within the municipality, or the number of municipalities.

An Honourable Member: Or build another incinerator.

* (1750)

Mr. Cummings: Or build another incinerator, which would be a logical next step. But the fact is that the cheaper of the two approaches is to get the recyclables out of the waste stream in advance so that you reduce the volume and thereby the heat that is required. So I think that all of these things enter into an overall approach that any jurisdiction has to take to recycling.

One of the things that we have is that there are so many varying initiatives. Manitoba is not in too bad a condition in terms of having a number of divergent projects under way. I think we are at a very opportune period in the next year or so, within the time frame of evolution of recycling and waste reduction, to be able to combine an awful lot of varied interests and help focus their desire into an area that will give us a very good recycling capability and, at the same time, get the very products that are referred to in this resolution out of the waste stream. We need to encourage alternate use, as is pointed out. We can encourage that by a number of approaches, but one of the most important approaches that we all have to hinge is the pressure of public opinion, as the Member for Wolseley (Mr. Taylor) and the Member for The Pas (Mr. Harapiak) also referred to. Public opinion will co-operate with the fast food stores in (a) recycling or replacing. I am not sure that I want to go back to the fish and chips in the newspaper, given what the makeup of the newsprint is that is stuck to the back of your fish when you get it out of there, but certainly that is an alternative that has not gone unwatched.

But there are certain jurisdictions that have a very good recycling program for some of the plastics and

I believe that the plastics industry is becoming extremely conscientious about the fact that it is going to be faced with quite a backlash if it does not improve the recyclability of the products, because if they are not improved they will in fact be rejected by the public. That brings it back, of course, to the other alternative packaging, which might be glass.

Mr. Speaker, I see that my time has run out. I would simply ask that the both Oppositions continue to support the concepts outlined here and I can assure them that the initiatives are under way to deal with this issue.

Mrs. Gwen Charles (Selkirk): It is enjoyable to speak on this resolution today and to hear the speeches that have been made on recycling and in support of progress in our environment in cleaning it up and proceeding forward. I cannot help but recall, during the last election, I had one particular environmentalist in our town who brought me in a magazine which pointed out to me in very graphic detail what plastics can do, and do, in our environment. That was a picture of a seal that had one of the coke bottle caps around it, those plastic units that hold the six-pack or eight-pack, or whatever it is, together and the plastic had ripped right through to the bone. Of course the seal was still alive but obviously not for long.

We hear since then and continually, more and more as we have become aware of it, how plastics are endangering our species, especially in our oceans where traditionally garbage is put out the backdoor of the boats and dumped in the world's biggest garbage bin, that being our oceans. As much as we in Manitoba, which is reasonably land centred, have a strain of plastics in our landfill sites and in our environment as we know it, we cannot shut our eyes to the fact that plastics are endangering many species, especially in the oceans, and that even if we cease today it would be hundreds of years before plastics would cease to wash up on the shores of our oceans.

Many people today have already discussed the values and problems of plastics and packaging and what the alternatives are in our environment. I would like to go further into discussing what the values people hold of the environment and recycling and also the problems that we have in determining how we recycle and what laws and regulations we can put on to determine what is recyclable.

We think of paper products as being totally recyclable, and indeed they are, but we cannot overlook the fact and in the process, that chemicals are used in paper processing and in trees, so that although the end product becomes a nice clean sheet of paper we have to realize the number of chemicals that are used in producing that paper.

The same way we must remember that most of the plastics are made through the usage of a non-renewable resource and that is in our chemical industry, and that there will come a day when, and hopefully a very long future from now, when we have few oil and petroleum products available for our use. What we are squandering today, in some future generation hopefully centuries

from now, they will wonder why we put no value on it. I believe the people and Government are having to come and face what is the value of what now becomes our waste stream.

Indeed it is easy to value steel and aluminum, because they are so easily recyclable, and it is easier to see that the volume of paper we destroy and put in our landfill sites could be regenerated, but then we have all these handy equipments that we use as our plastic and packaging agents.

I think even the best of us, the most environmentally aware, find great difficulties when holding a party, or putting on a program with a very tight budget, of going down to the local grocery store or stationary store and trying to find, within our budgets, utensils and containers that will cheaply support the event we are putting on. We come to the problem of trying to buy paper products at considerably more price, or the chemically produced plastics and styrofoams at reduced prices.

As I say, the most well intentioned of us, I think, when it comes to our pocketbooks, make the determination, well even though I know I should buy the paper and recycle it, next time I will do that, because this time I am on a tight budget and will buy the styrofoam and plastic products.

This is where the value of becoming a wise saver and user of money, and a wise saver and user of the environment comes head to head. When we have conflict in our interests I believe that is where Government should step in and help the decision-making process.

This resolution, I think in tone, if not in fact, points out the fact that Government should take its place and perhaps Manitoba should take a leading role in determining how we can use and abuse our environment in particular in recyclables and other packaging units. If we continue as we do with water and other resources to undervalue them, then we will continue to abuse them. Perhaps we have to look at means whereby we can put a real value as to the cost in not recycling plastic products and throwing them in to our waste stream, and generating the product in the beginning and then using up a limited resource in the production of this product.

When you value the source all the way down the line, you find that plastics are perhaps the greatest misusers of the environment, if you are rating them in so many systems. Yet we treat them so nonchalant as we throw them away and think nothing of it as we overpackage and as we sell our products, our consumer image, through the packaging process.

Indeed there have been causes and reasons for overpackaging that have been put forward by commercial industries, the need to protect from shoplifting, and overpackaging in order to make it inconvenient for those to shoplift, and to sell. I think when we are looking at the glamour of plastic products and the easy usage that plastic products have made of our society, beginning particularly in the 60s, when we become known as the throw-away society, we have to look at our values. Although we certainly cannot

mandate values, we can certainly encourage good values to take place, as we do in our school systems and pretty well every system we have in society.

This resolution is calling for Government to take a stand and help consumers when they cannot make up their minds due to social pressure, to help consumers, through some legislation, direct their needs and attention towards that which is environmentally friendly. The value that we put on environment is increasing year by year, and I hope that increase never wanes. Plastic and styrofoam products are very difficult for consumers to handle.

Traditionally plastic units are large and bulky, harder to store, whereas we can neatly bundle and tie our paper products, and we can squash the aluminum cans and even to some extent and, if you wish, break the glass unit. Plastic units are bulky and hard to store, and therefore not as encouraging for consumers to collect and recycle. I think particularly of so many of the soap items where you have your bleach and your softening agents and all those containers which are bulky. I myself am keeping them, but it is taking up a large part of the basement until we wait for recycling days to have these products available for recycling.

There are alternatives. If there were not alternatives, I suppose, we would be in another bind, but we do have alternatives to using plastics and styrofoams. We

can make those available to people and give them the options. But the options, when it comes down to economical options, are not there. It is cheaper to put our water in styrofoam cups than in paper cups. This is where Government can step in and take its place in determining a level playing field—as the term has well been used over the last year—in order that we have products equally priced so that the consumer is making a wise choice, not based on the amount of income one has but on what is valued out there and supported by Government in valuing the true value of products.

We do not put into the cost of buying a styrofoam cup the cost of landfill sites versus what we have with paper cups that could be recycled. We do not include so much of the cost in our garbage and in producing it. When we come to the day where the full value of environmental products is put forward to us, whether it be water itself or the cup it goes in, then I believe that consumers will be wiser and more able to make the choices in life.

* (1800)

Mr. Speaker: When this matter is again before the House, the Honourable Member for Selkirk (Mrs. Charles) will have six minutes remaining. I am leaving the Chair with the understanding that the House reconvene at 8 p.m. in Committee of Supply.