

LEGISLATIVE ASSEMBLY OF MANITOBA

Monday, 1 June, 1987.

Time — 8:00 p.m.

CONCURRENT COMMITTEES OF SUPPLY SUPPLY - LABOUR

MR. CHAIRMAN, C. Baker: Committee, please come to order.

Is there a statement by the Minister?
The Honourable Minister.

HON. A. MACKLING: Thank you, Mr. Chairperson.

Mr. Chairperson and fellow members, I am pleased to welcome you to the review of Manitoba Labour's Spending Estimates for the 1987-88 fiscal year. I anticipate a thorough and meaningful discussion of our programs for the coming fiscal year.

Manitoba Labour maintains six guiding principles as the basis of our role and mission. They are:

1. To provide leadership in the promotion and achievement of:
 - (a) A fair and equitable workplace;
 - (b) Cooperative relations between labour and management;
 - (c) Shared decision-making in the workplace in support of improving the quality of work life and efficiency of enterprises.
2. To protect the physical well-being and safety of persons and reduce property loss in respect to fires, structural, mechanical and other related hazards, to train and educate those persons entrusted with the responsibility of the enforcement of related legislation.
3. To promote, develop and administer apprenticeship and other cooperative skill training programs.
4. To promote and protect the retirement security of workers and to encourage expansion of the pension system.
5. To educate and inform the public, including special clients, with respect to the department's objectives, legislation and responsibilities.
6. To promote and practice shared decision-making, affirmative action and effective planning within the department, to work cooperatively with other departments and agencies, and to present these as examples to others.

There have been some senior staff changes in the department over the past year.

1. Tom Bleasdale was appointed Assistant Deputy Minister of Labour effective January 5, 1986. Tom's many years of experience in both small business, the public sector and organized labour will benefit not only Manitoba Labour, but also the department's client groups.
2. Carole Geller, our former executive director of the Pay Equity Bureau has recently taken

long-term disability for personal reasons. We are grateful for her significant contributions to the province in pioneering pay equity and in recognition of the achievements experienced by the program to date. Roberta Ellis-Grunfeld, Pay Equity Commissioner with the Civil Service Commission, has assumed some management responsibilities for the Bureau in the interim until a new executive director has been appointed.

3. Some other recent senior staff additions to our department include Jim McFarlane, Personnel Manager; and Janet Wile, Communications Director.
4. I would also like to extend my sincerest thanks to those other senior staff who have served Manitoba Labour over the years and who have either taken retirement, gone on to other career opportunities or left to another government department. These include Maurice Eyolfson and Norm Pound, Conciliation and Mediation Services; Wes Peters, Pension Branch; Auguste Thorimbert and Bill Hewitt, Fire Prevention Branch; John Doyle, Communications; Brian Dagdick, Affirmative Action; and Garry Barnes, Personnel Branch. I am happy to wish these individuals the best in their new endeavours.

The departmental reporting structure has also experienced some changes since last year. All program delivery branches, including the Manitoba Labour Board and the Pay Equity Bureau, now report to the Assistant Deputy Minister of Labour. The Assistant Deputy Minister of Labour, the Administration Division, the Research and Planning Branch and the Communications Director continue to report to the Deputy Minister. The responsibility for the Affirmative Action Co-ordinator for the government has been transferred to the Civil Service Commission in an effort to consolidate all central personnel services.

Our departmental Affirmative Action Program has achieved many gratifying results for target groups, including the establishment of a Career Development Training Program, a Staff Rotational Training Program and the formation of an Administrative Support Staff Training and Development Committee towards improving the mobility of target group members into non-traditional occupations. Annual staffing statistics compiled by the Civil Service Commission for all government departments placed Manitoba Labour fourth overall for our progress in increasing target group representation within our department.

We are also continuing our strategic planning process in the department which improves our decision-making by focusing on long-term objectives to assist us in obtaining the maximum benefit in the allocation of our resources. Computer technology and information systems are also being introduced throughout the department to improve our performance and cost effectiveness.

I am proud of our accomplishments in the area of labour-management relations.

- Manitoba's labour relations climate, work stoppage activity and unemployment continues to be favourable compared to previous years and to the national performance.
- Improving services to the labour relations community has always been a high priority of the department. The success of first contract legislation, expedited arbitration and grievance mediation have all facilitated the collective bargaining process.
- Out of the 26 applications received for first contract legislation since 1982, 10 agreements were settled voluntarily and 12 agreements were imposed by the board.
- In the period January 1, 1985 to April 30, 1987, over half of the 388 referrals to the Manitoba Labour Board for expedited arbitration have been resolved through the mediation process.
- In 1986, there were only 17 work stoppages involving 1,374 workers. This accounted for 17,111 lost person-days in Manitoba, which is substantially lower than the average of 82,581 person-days lost during the 10-year period from 1976 to 1985.
- Interprovincially, Manitoba has had the second lowest number of person-days lost per thousand non-agricultural workers for 1985 and the first half of 1986.
- Manitoba's unemployment rate continues to be below that of the national average. The seasonally adjusted unemployment rate in April 1987 was 7.6 percent compared to the national rate of 9.3 percent.
- Manitoba's seasonally adjusted unemployment rate was third lowest among the provinces, behind Ontario and Saskatchewan.

Manitoba labour will continue to seek innovative methods for improving business and labour harmony. Social and economic equality for women continues to be an important priority for Manitoba labour. Pay equity is proceeding according to the requirements of The Pay Equity Act. With good will and the cooperation of all, steps will be taken to advance pay equity into the broader public and private sectors. We plan to work constructively with leaders from the women's community, labour and business, to sustain our momentum and build upon the progress achieved to date.

The department's Estimates request for 1987-88 is 230.48 staff years and \$9,846,900.00. This request represents a slight net decrease in staffing of 3.15 staff years, or 1.4 percent, and an increase in funding of \$602,400, or 6.5 percent. In spite of significant financial restrictions placed on all government departments, through effective resource allocation, we have been able to formulate our budget request without negatively affecting the integrity of our program services to Manitobans.

The funding increases largely represent the negotiated salary adjustments for existing staff. Other increases represent an addition of two clerical staff years and \$60,200, including additional operating costs, for the Manitoba Labour Board to assist them in meeting their increased workload that resulted from the January 1985 changes to The Labour Relations Act.

Finally, the Manitoba Labour Education Centre is also being provided with an additional \$72,100 in non-recurring funds to conduct a research project to assess the present and future restructuring of the workplace and its impact on Manitobans.

I am very pleased with the contribution that the Manitoba Labour Education Centre has been making to organized and unorganized workers in Manitoba. This Centre provides training and education, research and resource material services regarding all aspects of labour relations to interested Manitobans.

The educational programs include three levels on health and safety in the work force and one on noise. Nineteen separate courses have been held in various locations in the province during the 1986-87 fiscal year with approximately 400 individuals in attendance. The popularity of these educational seminars has resulted in a steady increase in their demand.

I have presented to this committee a brief overview of the major changes that have taken place over the past year and highlighted the major program initiatives that we are emphasizing in 1987-88. I am confident that the members present will have many questions relating to the budget detail of each branch and I would request that these questions be raised by sub-appropriations as we proceed through our printed Estimates.

Mr. Chairperson, I now refer Manitoba Labour's 1987-88 Spending Estimates to your committee for review and passage.

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

MR. J. McCRAE: Mr. Chairman, the Minister is singing a lovely tune this evening and it's nice to see that his cheering section is here. I just wonder if they will be able to stand to stay all night to listen to the possible criticisms that might come up of the Minister's conduct of his department.

Mr. Chairman, the statement the Minister gave us is similar in many respects to the one we received last year. The Minister is awfully quick to take credit for labour statistics in this province, which have nothing to do whatsoever with this Minister or with his labour law. Indeed, the opposite would be the case in the case of Manitoba's Labour statistics. If workers and their employers were free to bargain freely, Mr. Chairman, the real truth would be known.

This Minister claims that the labour laws, as contained to a large extent in The Manitoba Labour Relations Act, amount to a fair and level playing field for workers, employers and unions in this province, but as we in this House in the last Session, and certainly even in the previous one, have tried to bring forward, there are many examples in this province which would demonstrate quite the reverse, and this Minister is in many respects attempting to defend the indefensible.

If labour statistics are good in this province, Mr. Chairman, it's because times have been difficult and Manitobans have a very great appreciation for their jobs; and employers, traditionally, in this province to a large degree are responsible, as are union leaders in this province to a large degree responsible people.

But one can't help, Mr. Chairman, when we consider the events of recent months, we can't help but wonder

if the labour law of this province has not been tailored for a small select few, labour leaders in this province pay no attention whatsoever to the workers whom they're supposed to represent. The people at Eaton's in the City of Brandon certainly have now had their say and I'll be asking the Minister more about that a little later.

But the situation at Eaton's in Brandon does give focus to one of the key problems that we have in the labour legislation in this province, brought in by this government, the first contract legislation, and we should point out that first contract legislation, written in a fair manner and with due regard for the rights of all concerned, may indeed in some cases have the effects that the Minister would like to claim are of his making and his government's making.

But as we will bring out later, Mr. Chairman, I think the first contract legislation needs a revamping in this province and I'll be asking the Minister throughout, as I have in the past and will continue to do, to review the labour law for that reason, and also to see that our labour law complies with the Charter of Rights and Freedoms in this country - a question this Minister and the Attorney-General have been very careful to skirt, to evade, to pretend to answer without really answering it.

We really have never had a proper review of The Manitoba Labour Relations Act in its entirety, taking into account the specifics that we, on our side of the House, have been bringing forward. There never has been a review to discover whether or not the labour law of this province is in accord with the Canadian Charter of Rights and Freedoms. For a government in Manitoba which likes to spread the myth that it has respect for humanity and respect for human beings and respect for compliance with the Charter of Rights and Freedoms, I maintain, Mr. Chairman, that that's the least this government could do.

But I will stop now, Mr. Chairman, and we can get into the detailed examination of the Minister's Estimates.

MR. CHAIRMAN: We will be beginning with Administration and Finance, and, as is customary, we will leave out the Minister's Salary and start with (b)(1) Salaries.

Are there any new members on your staff that you would like to introduce?

HON. A. MACKLING: Well, I'll introduce my Deputy Minister and call upon her to introduce the staff. My Deputy Minister is Mary Eady, as most of you know.

MR. CHAIRMAN: Would the deputy like to introduce the staff?

MS. M. EADY: Yes, we have our Assistant Deputy Minister, Tom Bleasdale; our new Director of Personnel, Jim McFarlane; Jim Wood, who is our Chief of Financial Services; and Bob Gorchynski who is Director of Administration.

MR. CHAIRMAN: Thank you very much.
The Member for Brandon West.

MR. J. McCRAE: Mr. Chairman, as I recall our discussion last year, I think the communications officer

of the Minister's department is dealt with in this part of the Estimates, and I think at this time last year the Minister didn't have a communications officer and does now. Is that correct?

HON. A. MACKLING: That's correct.

MR. J. McCRAE: In his opening comments, Mr. Chairman, the Minister referred to the new communications officer as Janet Wile. Could I ask, Mr. Chairman, when Janet Wile was brought into the department?

HON. A. MACKLING: She's just been engaged very recently.

MR. J. McCRAE: Effective date?

HON. A. MACKLING: Actually, she sat in on a briefing session today, her first day. Her background is that she worked with Saskatchewan Government Insurance Corporation and then the Women's Directory in Saskatchewan.

MR. J. McCRAE: What would the salary be? That would fall under professional/technical, according to the footnote of page 23 of the Supplementary Information. I'd just like to ask the Minister what the salary of the communications officer will be.

HON. A. MACKLING: 39.9.

MR. J. McCRAE: It's been over a year since the Minister's had a communications officer, is that correct?

HON. A. MACKLING: Since October 1986.

MR. J. McCRAE: Previously it was John Doyle?

HON. A. MACKLING: John Doyle, yes.

MR. J. McCRAE: And in October of '86 John Doyle moved to the Executive Council Office?

HON. A. MACKLING: Yes, that's correct.

MR. J. McCRAE: So since October and now the Minister has not had a communications officer and, as he described it last year, when he hasn't had a communications officer, he's managed to find help from other departments or some such answer as that. Is that correct?

HON. A. MACKLING: Correct.

MR. J. McCRAE: The Minister in his opening statment made the point that things were going along pretty well for he and his department, and I just wonder why it is that the Minister now, all of a sudden, needs a communications officer.

HON. A. MACKLING: Well, like any other department, it is vital that we communicate effectively in respect to the programs and issues that confront the department. And while we have managed to cope by

making greater demands on persons in the department, including my special assistant, Gari Whelon, and my Deputy Minister, to come up with assistance for me, it's much more desirable to have someone that has this responsibility and can do an effective job for the department.

MR. J. McCRAE: Just by that answer the Minister seems to be saying that he wasn't doing an effective job previously, and that's why I asked the question in the first place. The argument can go round and round, but it seems to me that the Minister managed before, as he says, quite nicely. Was he drawing unfairly on other resources? What was the score?

HON. A. MACKLING: Well, I'm not going to play on words. Whenever there is a vacant position, wherever it be in a department, and there is work to be done, the work has to be done by others. I have to ask others to fill the breach, fill the gap, and take on additional work and additional responsibility, beyond what their normal duties require.

To the extent that the work is done, sure it's done, maybe with difficulty, to my satisfaction, but it's much preferable if you have someone who's in a position to provide the continuous service that is necessary to a department to provide for the communication needs.

MR. J. McCRAE: Well, I can sympathize with the Minister's staff who were carrying the load which was left because of a vacancy, as my own experience, certainly, as a member of the MGEA for nine years of my life and working for the government and working in Ottawa in a fairly stressful type of occupation, I think I can tell you what it's like when there's a shortage of staff. So I can certainly sympathize with those who are left to carry out those duties.

But it just seemed like a very, very long time before that vacancy was filled and I'm surprised there wasn't more pressure placed on the Minister to fill that vacancy sooner if the position is as important and as needed as the Minister says it is.

HON. A. MACKLING: Well, there was a recruitment in there. Obviously, the recruitment was national in scope. We thought we had a person selected and that person wasn't able to take the position, and then we had another competition, so it took a little longer than what it normally should have.

MR. J. McCRAE: I think we can move on a little bit, Mr. Chairman.

MR. CHAIRMAN: Okay. Other Expenditures then, is that what you want to discuss or to the next item?

MR. J. McCRAE: I don't know if it's covered in the Supplementary Information; but a reduction in Other Expenditures, it is covered on page 23.

HON. A. MACKLING: Yes, there's a slight decrease in expenditures there of \$13,900.00. The cutback, and this is part of the vigorous Estimates process which, not only with this department, all departments were subjected to look for any area where what could be

concerned a bit of fat might exist to get us down to the bare requirements.

If you like, I could review with you the major areas: \$8,000 was trimmed from transportation, that's travel; \$9,400 from professional services, tightening up there; minor reduction of a couple thousand dollars on hotels, and there some that were increased, again very marginally. So it all balanced out with a net reduction of 13.9.

MR. J. McCRAE: I just wonder - the Adjusted Vote figures are given to us and then the figures projected for this year; but how do these figures compare with actual expenditures for last year? For instance, transportation, what would have been the actual expenses last fiscal year?

While the Minister is looking for that, it's quite an achievement to bring about savings in these Other Expenditures when you're bringing in another staff member for this fiscal year. That person's going to need an office, a typewriter I assume, or maybe a computer.

HON. A. MACKLING: It's my understanding that we haven't got the actuals from Finance at this date. It takes a period of time before they're broken down. But I thank the member for those complimentary words. It is a tough exercise.

MR. J. McCRAE: It's quite an achievement if you're budgeting another \$40,000 for another person and that person has to be somewhere. I just wonder if you've got everything right, as a matter of fact.

HON. A. MACKLING: Well, the salaries for the department, of course, reflect an increase, but the Other Expenditures which we're talking about, the reduction of 13.9 is there. There's a reduction in the other expenses, but in the salaries for Executive Support, there is an increase.

MR. J. McCRAE: Okay. Mr. Chairman, we can go to Financial and Administrative Services.

MR. CHAIRMAN: 1.(c)(1) Research and Planning . . .

MR. J. McCRAE: I'm sorry, Mr. Chairman, my colleague has a question, perhaps, on Research and Planning.

MR. CHAIRMAN: The Member for St. Norbert.

MR. G. MERCIER: Research and Planning publishes the Quarterly Labour Relations Information Bulletin. Could the Minister advise as to the exact drop in the number of manufacturing drops from 1981 to the present?

HON. A. MACKLING: I'll just check. It's my understanding that the bulk of the statistics that we publish in the Information Bulletin is compiled by Stats Canada and we don't have the detail that the honourable member is requesting.

MR. G. MERCIER: Well, who has the statistics on the manufacturing drops? Those were recently referred to.

HON. A. MACKLING: It's my understanding that Employment Services would likely have the sectoral breakdown.

MR. G. MERCIER: Are we duplicating statistics here between the Labour and Employment Services Departments?

HON. A. MACKLING: There may be some minor duplication when it comes to levels of employment, but other than that area I wouldn't think that there was duplication, no.

MR. CHAIRMAN: Okay. So we move on to 1.(c)(1) Research and Planning: Salaries - the Member for Brandon West.

MR. J. McCRAE: Pass.

MR. CHAIRMAN: 1.(c)(1)—pass; 1.(c)(2)—pass.
Okay, we move to 1.(d)(1) Financial and Administrative Services: Salaries - the Member for Brandon West.

MR. J. McCRAE: Mr. Chairman, I note that there's a reduction of one staff year reflecting the elimination of a training and development coordinator position. Why has that position been eliminated?

HON. A. MACKLING: In the budget review and the task of meeting goals of budget reduction, striving to find ways to do more with less - if I can be so bold as to use that - we looked and there was this one position which we believed that Personnel Services could fulfill and therefore eliminated this position.

MR. J. McCRAE: You can pass that, Mr. Chairman.

MR. CHAIRMAN: 1.(d)(2) Other Expenditures—pass.
Okay, we now move into Labour, 2.(a)(1) Division Administration: Salaries - the Member for Brandon West.

MR. J. McCRAE: Mr. Chairman, why is it the Minister and his colleague, the Attorney-General, have consistently refused to subject The Manitoba Labour Relations Act to Charter of Rights scrutiny?

If the Minister is going to say because it's good law and because we know it would meet the test, that's not good enough. If he knows that, why doesn't the Minister try to satisfy the thousands of Manitoba working men and women who'd like to see that act put to that test?

HON. A. MACKLING: Well, let me say, to begin with, that the changes to legislation, including labour legislation, has received an overview by the Attorney-General's Department for Charter compliance, has been brought forward by the Attorney-General. There is not, in the evaluation of Legislative Counsel within the Attorney-General's Department, an obvious Charter violation in The Labour Relations Act or in the legislation for which we are responsible other than those things that have been identified by the Attorney-General in the current Charter Compliance Bill that he has introduced.

The member says, well, even though Legislative Counsel has not identified something, shouldn't we go looking for something because there are thousands of people who may be concerned? I don't think that's the

basis upon which Charter compliance is being dealt with by the Attorney-General's Department in this province or any province.

I think that we have to look, and where there is an obvious discriminatory section within an act, then it's the duty of the Attorney-General, and our Attorney-General has carried out those duties exceptionally well, not at great public expense, but as a reasonable schedule will allow, looking at large amounts of legislation to determine Charter compliance. He's done that and they are continuing to do that with all our legislation.

I'm satisfied that unless there is a specific complaint that is being brought to us in respect to a particular section of our act, we shouldn't be merely looking for the sake of looking.

As the honourable member knows, in addition to what the Attorney-General has been doing in the general overview, there is currently before the Superior Court in this province challenges in respect to provisions of The Labour Relations Act, some of the challenges based on sections of the Charter, and until those specific court proceedings have been dealt with, we will not be in a position to know whether or not there is any merit to those challenges. It would be foolhardy, concurrently, with litigation, where an individual party is claiming a Charter violation, to initiate the same on our own account. The courts would wonder what we were doing in that kind of a process.

I don't know when these current matters before the court will be dealt with. It is likely that they will, most of them, proceed to the Supreme Court and that it may take some time. As the honourable member knows, at one stage the Court of Appeal had indicated that our first contract legislation prohibited the Labour Board from imposing a further first contract legislation on appeal of the Supreme Court. The Supreme Court has lifted that injunction that was imposed by the Court of Queen's Bench and reaffirmed by the Court of Appeal in the province.

So there are matters that are before the court in respect to Charter application. When they have been dealt with, they may confirm or repudiate the concerns the honourable member has.

MR. J. McCRAE: Mr. Chairman, the Minister is a lawyer, the Attorney-General is a lawyer, and he tells me that large amounts of legislation are being looked at by the Attorney-General's Department. It doesn't make much sense to me, Mr. Chairman. It seems to me they're skimming through it and not reading it, or something, because if they're reading through large amounts of their own legislation, which they've been defending for several years, I'm not surprised that they're going to report that there's nothing wrong with them.

All we've been asking is that the Minister have a review made and a legal opinion given, and that that opinion be shared - an opinion given by a lawyer who's a professional as opposed to a politician lawyer.

So I don't accept the Minister's answer about Charter compliance. He has basically said the same thing that we've been hearing all along, and I wish he would take the bull by the horns in this case. We could maybe put an end to a lot of the difficulties, unfairnesses, that we've been seeing to employees in this province.

The Minister and his colleagues would like to prolong the myth that they are the ones to stand up for ordinary working Manitobans, but it's exactly that, Mr. Chairman - it's a myth - because we've seen several instances where these honourable members have refused to stand up on behalf of the working men and women of this province. And from someone who is often the brunt of their criticism, as one who stands up for other interests in this economy, I resent that very much coming, as I do, from my background, I resent those types of accusations from the Ministers.

I'd like to discuss the first contract legislation. This is the second year, perhaps the third or fourth year, in a row that the Minister has singled out in his opening remarks praise for the first contract legislation of this province. In his remarks he says that there have been 26 applications received for first contract legislation since 1982 - 10 of them were settled voluntarily and 12 imposed by the board.

Well, of those 26, we now, since the Eaton's vote the other day in Brandon, we now have seven unions decertified as a result of first contract legislation in this province. I suggest, knowing the Minister's loyalties as I do, that he have another look at that; and instead of just reading statistics that someone's giving to him with the slant that those people want him to read into those statistics, that he look and he will see that seven workplaces have decertified their unions which, in the first instance, were the subject of first contract applications.

The Minister crows loudly that, oh, we finally got an employer who applied for a first contract. Well, out of 26, we have one employer who has applied; so that it tells you right away, Mr. Chairman, where the bias is in the law, who the law was written for - 1 out of 26; 25 others were made by unions.

But let's not forget in all of this, Mr. Chairman, that somewhere out there is the worker. I wish the Minister would remember this; I've been asking him to do that.

Would he like to comment on the fact that seven unions have been decertified as a result of the first contract legislation?

HON. A. MACKLING: Before I do that, let me say that the honourable member and I will have to agree to disagree in respect to his views in respect to labour legislation in this province, and what I think is fair and reasonable in respect to the defence of workers' rights. I will not use the Legislative Assembly as a forum for questioning the integrity or the adjudication of matters brought before the Manitoba Labour Board or its role in dealing with those cases.

In respect to Charter compliance, it is not a haphazard or an indiscriminate review of legislation that the Attorney-General conducts. It is a very reasonable and pragmatic review of legislation. We, as well as being reasonable, are also prudent, and I think that's a good conservative attitude from time to time not to do a wholesale revision where only a little touch-up is necessary.

Certainly, the Attorney-General is not doing an incomplete, but he's not doing a wasteful job of reviewing all of the statutes, which are enormous in number, to look through all of the provisions of all of the legislation that we have. But he is looking, or the

department is looking, at all legislation, which includes labour legislation. I'm satisfied that review will flag or - that's a bad word, I don't use flag all that often, the Member for Emerson or someone may remind me of that - but will highlight any obvious concern in respect to discriminatory practice. I won't repeat what I'd said about matters before the courts.

In respect to first contract, I think that the record of - the honourable member says six; perhaps it's seven, as he says - decertifications is not a bad average when you consider out of 26, because these are cases where the parties, while there had been certification of the union, had failed to come to a collective agreement.

Let me read further detail into the record, because I think the further detail enhances the argument that the legislation has done very well. I might say that we won't know how many times agreement was reached without the application for first contract legislation simply because the legislation was there, simply because it was there. So there are many instances where agreement was reached, knowing that if agreement was not reached, a first contract application would have been imposed by the board.

Now, the detail I referred to, of the 26 applications, 7 cases have first agreements in effect; 3 cases are negotiating a second agreement; 6 cases have successfully concluded a second agreement; 2 cases are negotiating third agreements; 1 case is negotiating a fifth agreement. Now 6 cases had their certification revoked; 1 case has stayed from proceeding; and 1 case had been granted a 30-day extension to settle.

I think that's an excellent record for a program that was put in place to avoid the kind of bitter confrontations that existed between management and workers where at long last, in many instances, certification had been obtained without the enthusiasm of an employer, and the employer was hostile to the whole concept of having to collective bargain, and that is why no first contract was achieved.

I think this is an exceptionally fine record considering the degree of hostility that often can be there in respect to first contract negotiation between a newly certified bargaining unit and an employer.

MR. J. McCRAE: The Minister helped a little while ago, Mr. Chairman, in making my case about the first contract legislation when he said that he couldn't tell us how many contracts were entered into because of the existence of first contract legislation. I have to agree with him; and that's more or less like having a gun to your head.

It certainly has nothing to do with freeing up collective bargaining. It allows union leaders or union negotiators to become lazy, knowing that the legislation is there to bail them out should they fail in doing what they want to do. And, on the employer side, Mr. Chairman, the feeling is that there's a gun to your head because they can rely on that.

And certainly in the case of Eaton's, there's no telling what an employer is going to end up getting. As I recall it, the Eaton's employer was ordered by that first contract, in that case, to pay the employees in Brandon some 20 percent or 21 percent more than previously when it had the opposite effect to that which was intended. In that case, Eaton's response was to threaten

to shut down the large part of its operation, to lay 43 people off.

Well, only then, Mr. Chairman - and the Minister knows this story very well - did we begin to see some real negotiation after the first contract, which was clearly unacceptable and unrealistic.

After that first contract was imposed, we then had the spectre of the workers at Eaton's threatening to sue their own union for \$10 million, sort of shades of Jennifer Campbell, only in reverse. It was Bernie Christophe in that case who was the subject of the unfair labour practice charge, this time threatened to be laid by the employees, and then the election was near.

I can only assume the Minister or the Premier spoke to Mr. Christophe and that put an end to the impasse, because Mr. Christophe then backed off his demands and the jobs of the workers were saved and my community downtown were saved by virtue of the fact that those workers forced their union boss not to abide by the terms of a first contract imposed by a third party which didn't seem to understand very clearly the implications to Eaton's of not being competitive in a competitive community in Brandon.

So, I agree with the Minister. There's no way of saying how many situations have been saved by the first contract legislation, because when you're dealing with a gun at your head, you really don't have a whole lot of choice. That's the whole problem with labour law in this province. Employers and employees don't have the same kinds of choices that the union bosses of this province do. That's what's unfair.

The Minister knows it's patently unfair and refuses to do anything about it because we know where his loyalties are. We've been over it before. I just have to say it again so the Minister will know that I haven't forgotten about this, and we on this side of the House haven't forgotten about it and neither have the working people of Manitoba forgotten about it.

More and more people in Manitoba are coming to realize that a blind loyalty, like the kind the Minister displays to his union friends, doesn't really achieve anything good in the long run. What's fair is what achieves the best results in the long run. Perhaps the Minister felt that the scales were tipped too far the other way before his government came along, but what they've done is they've gone so far in the other direction that we've got something that's absolutely crazy. It's certainly unfair and I can bring many, many people forward to testify to this Minister of the truth of my statements.

HON. A. MACKLING: Well, Mr. Chairperson, I don't think that even if I strove over the next period of time in this committee to convince the honourable member that what he says is nonsense, he would ever agree. I don't think there's any question, but I will have to accept the fact that the honourable member takes a very negative attitude towards the conduct of existing trade unions in this province. He seems to be highly critical . . .

MR. J. McCRAE: He deliberately misconstrued that again.

HON. A. MACKLING: . . . of their efforts whenever they're endeavouring to organize workers particularly

in areas of industry and commerce that generally provide for relatively low paying salaries and where organized collective bargaining certainly would enhance the status of those workers.

There's no question in my mind that collective bargaining and representation by workers of a union that cares and works hard to develop a reasonable income for those workers has proven dividends for workers not only in this province but throughout Canada and throughout the world. The history of success of the Trade Union Movement in providing a more reasonable distribution of income and return from productivity, industrial, manufacturing or whatever activity is not a question of speculation. It is a matter of fact, a matter of historical fact.

Now there are those in society who feel that unions are unnecessary. I'm not suggesting that the honourable member says that unions are unnecessary, but he seems to be selective in his support for workers. He thinks that there are some unions that are bad. I don't look upon any union as bad or any employer as bad. There are times when employers fail their employees. They strive to interfere with their employees' rights. They don't provide a reasonable opportunity for workers to bargain collectively, and there can be labour strife.

Now in respect to individual situations such as Eaton's, I'm afraid that the historical record in respect to Eaton's isn't one that sheds a great deal of positive light in respect to the retail operations of Eaton's in respect to employee rights. It hasn't been a very glowing picture. Now I'm not saying that the management of Eaton's stands condemned. It's up to the owners of Eaton's, it's up to society to make that kind of evaluation.

But what our first contract legislation has done is enable employers and employees to, through their collective bargaining, determine that even where they haven't been able to agree, and it's been the lot of the Labour Board to formulate a first contract for them, that in the overwhelming majority of those instances employers have found out that the union is not a diabolical threat to the survival of that enterprise, that they are able to work with the union and work in harmony, and the statistics bear that out.

I would like to point out that of the 26 applications, there were two occurrences when a strike was in progress and they were halted as a result of the first contract legislation - one at the request of the union, one at the request of the employer.

The facts of the first contract history thus far speak for themselves and speak of success for what was once considered to be very unique. I understand it is now being studied, this first contract legislation, in Ontario. I don't know whether it's been implemented yet. I think it's certainly under active consideration there and, in my expectations, it will be pursued there. I have no doubt that once employers come to realize that the union wants to do a fair and reasonable bargaining job for the workers, that they can work with the union and mutually profit by it.

MR. CHAIRMAN: The Member for St. Norbert.

MR. G. MERCIER: In dealing with this section, one also has to look at the revenue side of the Estimates.

The revenue side of the Estimates indicate that the revenue from permits and licences increases by virtually 50 percent from last year from about \$1 million to almost \$1.5 million in revenue.

Could the Minister give us a table outlining all of the increases?

HON. A. MACKLING: Can I just have a minute?

MR. G. MERCIER: Sure.

HON. A. MACKLING: Mr. Chairperson, if I could look at the permits and licences, the approved changes for 1987-88 amount to \$270,000.00. I don't know where the member gets the million dollars.

MR. G. MERCIER: I'm getting it from the statement of revenue, details of estimated revenue that the Minister of Finance tabled with the Estimates on page 5 under labour. There are only two items of revenue. They show a) as permits and licences, and it goes up from \$1,037,000 to \$1,479,800.00.

HON. A. MACKLING: Mr. Chairperson, I will get the statistics. Maybe that's the total amount that the honourable member is referring to but not the increase. It's the total amount, total revenue, yes.

The '85-86 total actual of permits and licences was 1.237 million. The '86-87 published was 1,047,000, revised to 1,258,000. The '87-88 estimated existing permit revenues, a guesstimate as to what we would obtain, was 1,209,000. We approved changes of 270,000 which made an estimated total fees from permits and licences of 1,479.8. So it was an increase of 270,000, adjustments, various adjustments, and I could try and pick out the major ones.

There are fees for hairdressers and barbers, which hadn't been set for many, many years, were increased: hairdressers 34,000; barbers 14.5. (Interjection)- What percentage increase would it be? Probably a very significant one because they hadn't been looked at for many, many years. These are estimated figures, they're not actual.

Apprenticeship, I think it was referring to 24,000, employment agencies 1.7.

MR. G. MERCIER: Employment agencies? What do you mean?

HON. A. MACKLING: We do license some agencies who provide a head-hunter service of some kind, a placement service.

MR. G. MERCIER: How much was the . . .

HON. A. MACKLING: \$1.7 thousand; and pensions, we anticipate and these are again expected fees of \$196,000, making a total increase of \$260,000.00.

MR. G. MERCIER: Did the Minister increase fees during '85-86?

HON. A. MACKLING: There were some marginal increases in elevators and power engineers.

MR. G. MERCIER: So the actual percentage increase in permits and licences revenue for this year would be more around 25 to 30 percent rather than 50 percent?

HON. A. MACKLING: One way of interpreting it is 11 percent, but I think that if you divide it the other way, it's a little higher. Yes, about 20 or 21 percent, if you do one way as against the other, it seems.

MR. CHAIRMAN: The Member for Brandon West.

MR. J. McCRAE: Mr. Chairman, just to get back very quickly to a discussion we were having before the Honourable Member for St. Norbert got involved here a minute ago, the Minister referred to a negative attitude to unions on my part or on the part of members on my side of the House - another misrepresentation of the facts.

MR. D. ORCHARD: He said MTX was a money-making corporation at this time last year, too, so he always gets it wrong.

MR. D. SCOTT: Not negative, just talks soft.

MR. J. McCRAE: I do indeed have a negative attitude to unions who shove their way in when they're not wanted, into places where they're not wanted, abusing the democratic process and using the Labour Board and this Minister on the way to get there. Yes, I do have a negative attitude toward unions like that; otherwise I deny what the Minister says, and the Minister's being cheap when he makes comments like that.

I'd like to ask the Minister about representation votes. In the case of certifications, recently we've been asking for representation votes in cases where the wishes of the employees either were not entirely clear or were very clear in the case of Springhill Farms, and the Minister failed to get involved by means of ordering a representation vote. The board failed to order a representation vote. We find though, in the case of the decertification in the case of Eaton's in Brandon, there was a representation vote.

Can the Minister tell me why it is that there's a representation vote in the case of a decertification, but not in the case of a certification?

HON. A. MACKLING: Would the honourable member like to leave that till we get to the section dealing with Labour Board? Or do you want to have a free-for-all to begin with and then . . .

MR. J. McCRAE: Actually, Mr. Chairman, the question has more to do with the law than it does the board. If I mention the board in passing, that really doesn't affect my question.

The question is: Why doesn't the law require representation votes in all cases so that the wishes of the employees can be known without a doubt?

HON. A. MACKLING: Well, Mr. Chairperson, the honourable member, first of all, should recognize that our labour legislation was developed over many years in this province, and provided for the certification of unions and confirmation of representation of workers through certification procedures of the Labour Board.

The certification procedures of the Labour Board have worked very well. Obviously, there are times when

parties to a hearing before the board are dissatisfied - they didn't win; they didn't get their point of view. That certainly can be the case because there is one party that is opposing and one party supporting and both can't achieve their goal.

The member, I hope, has had an opportunity to read the decision of the Labour Board in connection with the Springhill Farms adjudication. It looked at all the evidence. I thought it was a decision which reflected careful consideration by the board. It looked at precedents from jurisdictions both from Ontario and Saskatchewan, and I thought dealt with the matter in a fair and reasonable way.

MR. J. McCRAE: I'm going to clip this and send it off to Neepawa. I hope you remember that.

HON. A. MACKLING: The honourable member thinks that the Minister of Labour should be ordering revotes or reconsiderations, and I disagree with that. I believe that workers utilize the existing law, and they did so. They had indicated by a sufficient majority that they wanted a particular union, apparently, to represent them, and that was the evidence that was found by the board. This Minister does not feel it's appropriate to interfere with those decisions.

I want to just indicate and respond to the generality of my critic's references. He said that what I said was cheap. If, from what the honourable has drawn from my remarks, he finds that offensive, then I would withdraw those offensive portions of whatever I said.

But I think that people, whether they be in the Legislature or whether they be in the public, when they note that members of the Opposition attend workers' meetings when the union is trying to hold a meeting with the workers and get involved in what appeared to be a confrontation between groups of workers, and appear to be taking sides in respect to those groups of workers, I think that is not helpful to the conduct of labour relations in this province.

I think that workers and employers are armed with legislation that is fair, that is reasonable. They are provided with a labour relations tribunal that I think is a peer, has an excellent record, not only in its history of performance in Manitoba but comparatively speaking across the country. I think its record of fair adjudication has been commented on not just once in awhile but most frequently by the courts of this province and found to be certainly fair and reasonable.

I believe that the Labour Relations Board, which is comprised of both representation from the organized worker sector and from management, adjudicates cases that come before them in accordance with the law and they do that in a reasonable way. I don't believe that a Minister of Labour should interfere with that fair adjudication of the processes which are the responsibility of that tribunal. To start interfering and requesting changes in the facts or in the determination that an independent tribunal makes would be to politicize labour relations in this province to the detriment of both workers and employers, and I resist that very strongly.

MR. J. McCRAE: Mr. Chairman, I didn't really expect much else from this Minister.

Mr. Chairman, I'd like to bring to the attention of the Minister what I think is something that he and his department might like to take a look at. I understand that there are people in this province, specifically in the nursing profession, whose religious beliefs would allow them to belong to a professional association but not to a union.

As our labour law has been interpreted, I understand that section 68(3) and section 68.1(b) have been interpreted to mean that professional association and union, I take it, are the same thing. In other words, a nurse applied for exemption from union membership and that was denied on the basis of the way our law is worded.

I would be happy to provide the Minister with details outside this place if he would undertake to look into this with a view to allowing people to enjoy their religious freedom in this province.

HON. A. MACKLING: Well, I'd certainly be interested if there's a situation where the honourable member feels that there's been a non-compliance with The Labour Relations Act. Regardless of where a complaint comes, certainly we look into those matters.

In respect to the duty of parties, the unions under the act have a duty of fair representation. I don't know what the particular matter is that the honourable member is referring to. Without having the details, it's pretty hard to comment on it.

MR. J. McCRAE: I understand that, Mr. Chairman, and I'm not talking about a non-compliance with the act. I'm talking about the act itself, and to protect the religious rights of people in this province, whether the Minister would agree to consult with me further privately as to whether the words "professional association" could be removed from the sections I referred to a little while ago, so that certainly the nurses that I'm aware of who are caught in this problem will be able to be exempt from union membership while still being members of professional nursing associations from which associations they get their licences to practise.

HON. A. MACKLING: Well, we certainly couldn't make a commitment of that kind, that I will look to change the act on the basis of some concern, unless I was satisfied that there was an injustice occurring and I could persuade my colleagues that some change in the act was necessary.

MR. J. McCRAE: Well, perhaps I could put it more simply for the Minister.

Would the Minister be interested in making sure the religious freedoms of Manitobans are protected through The Manitoba Labour Relations Act?

Because if he's not, we'll have to pursue this matter in some other way. If the Minister is interested in seeing that the Charter of Rights and Freedoms is complied with in respect to not only freedom of speech and expression, as we've discussed before, but in respect, this time, of freedom of religion, if the Minister is interested in preserving those freedoms, then he will agree to work with me on a non-partisan basis to attempt to make the changes necessary to accommodate the religious beliefs of some people in this province.

Now if he can't answer the question that he wants to protect the religious freedoms of people in this province in the affirmative, then we have a real problem with this Minister and with this government.

HON. A. MACKLING: Well, I don't want to engage in shadowboxing with the honourable member. He doesn't give me specifics; he doesn't give me details.

MR. J. McCRAE: I did so.

HON. A. MACKLING: Apparently there's some concern about one or more nurses who, because of their religious belief, do not want to belong to a union or don't want their professional association categorized as a union.

I haven't seen anything or heard any submission on the part of anyone. This is the first that the honourable member says that there is some problem there. If he wants to identify it, certainly, I'll be obligated to look if there is any basis to a violation of human rights or Charter rights by virtue of the present act. I don't believe that exists. If the honourable member has a belief to that extent, he can send it to me and I'll look at it.

MR. J. McCRAE: The act, Mr. Chairman, does provide for a conscientious religious objector to be exempt from union membership. The act provides for that. But it also, in its wording, refers to a union or a professional association in the same breath. This is the part that I would like to discuss with the Minister privately. This is the part that has been ruled to be one and the same.

In other words, if you can belong to a professional association, then you have to belong to the union. This apparently is the ruling that's been brought to my attention, the ruling I'd like to bring to the Minister's attention. I'm asking the Minister to work with me in a non-partisan way to protect the religious freedoms of working people in Manitoba.

HON. A. MACKLING: Mr. Chairman, I don't want to say yes, I am going to work with the member. If the member has a particular case or concern, yes, certainly. If he wants to bring it to my attention, I will look at it, but I don't want to commit myself to working with the honourable member to effect a remedy for something if I don't know there's a problem.

MR. CHAIRMAN: The Member for Kildonan.

MR. M. DOLIN: I'm somewhat sympathetic towards the Member for Brandon West, but I'm no more expert in labour law than he is.

But it is my understanding that you have a clause that you pointed out which allows conscientious objectors not to have to join a union. However, they do reap the rewards and benefits of membership such as rates of pay, hours of work, pension benefits, etc. There is a requirement, I understand - I think it's called the Rand formula - that they pay dues. I would assume this would be equivalent to professional associations.

Also, I'm not clear - and I would think the Minister should discuss with the member and maybe clarify for him - in nursing, particularly, you have a professional association, MARN, which is the Manitoba Association

of Registered Nurses; you have MONA, which is the Manitoba Organization of Nursing Associations, which is the negotiating party. Now I think I'm not clear from the explanation of the member, and I'm sure the Minister is not clear, as to which organization he's talking about. Or is he talking about both?

I can understand why the Minister is unwilling to make a commitment when he's not clear, and I'm not too sure the member is clear. Perhaps he would like to clarify as to what exactly, what particular organization this nurse is talking about? Is she talking about MARN? Is she talking about MONA? Is she a religious objector to belonging to a professional association or to the MONA organization?

MR. CHAIRMAN: The Member for Brandon West.

MR. J. McCRAE: As I said, Mr. Chairman, I do intend to raise this with the Minister privately. But I'm really surprised - I guess it's in view of Bill No. 47 that's been introduced last week in this House - that members of the New Democratic Party are so slow now to commit themselves to ensuring that people enjoyed the religious and other freedoms that are guaranteed supposedly by our Charter of Rights.

Maybe I shouldn't be surprised when I see in this act people being - their freedom of speech and expression being stifled by virtue of The Manitoba Labour Relations Act. Maybe I shouldn't be so surprised, Mr. Chairman. But I do appreciate it, if the Minister will agree to sit down with me, and I can take up the matter to which I've referred earlier.

MR. CHAIRMAN: The Member for Pembina.

MR. D. ORCHARD: Thank you, Mr. Chairman.

On the general topic of The Labour Relations Act, can the Minister indicate to me, what are the abilities of elected MLA's in relationship to communicating with their constituents as to union organizing circumstances? Are we disallowed, as MLA's, from speaking to constituents who are per chance being recruited by a union organization drive?

HON. A. MACKLING: Well, the member asks a question that I believe is a fair one. An MLA who may be asked questions or whatever by a constituent, can he respond to those questions and concerns and not be in breach of The Labour Relations Act that would indicate some areas where discussions with workers would be an unfair labour practice - I think that one would have to look at each case to determine whether or not there was any breach of The Labour Relations Act.

Generally, the provisions of the act are there to ensure that where certification or union organizing is taking place, that no one, whether it be a lawyer or a judge or anyone involved in society, should be interfering with the course of that effort by workers to agree upon a bargaining agent for them.

But, as I say, I think that every individual case would have to be addressed to determine whether or not the involvement of the particular person was within reasonable bounds and therefore not an unfair labour practice.

MR. D. ORCHARD: Who would make the determination as to whether that MLA was operating in such a manner

as to constitute an unfair labour practice? Would that be you as Minister, or would that be your designated board? Who would make that decision, and on the basis of what allegations and through what process?

HON. A. MACKLING: Well, as the honourable member appreciates, that kind of decision ought not to be made politically. Where they are made by a tribunal operating at arm's length from government, it would be the Labour Board.

MR. D. ORCHARD: Well, Mr. Chairman, the reason I broach the subject is that one of my colleagues whose municipal employees were in the process of a union drive in the local municipality in which he represented that municipality in this Legislature, he was well-acquainted, I believe, with all of the employees that were being unionized and had some discussions with the individual members and/or their spouses and was indeed called to a meeting on a Sunday evening, I believe it was, by those same employees.

Mr. Chairman, what he got for his efforts was a phone call to my leader's office from the head of that particular union, indicating to my leader that his MLA was engaged in unfair labour practices.

To my knowledge, I don't think my colleague was doing any more than responding to some legitimate concerns on behalf of the wives of those employees who feared that their husbands may well not have a job after the union organization, because there was some discussion about contracting out the entire workload of the municipality. Indeed, he was invited by those same employees to meet with them on a Sunday evening. It wasn't the MLA's invitation to the employees; it was the employees' invitation to the MLA. But yet the head of that particular union, as I say, placed a phone call to my leader's office on Monday, accusing our MLA, our colleague, of unfair labour practices.

You know, that was an issue, I suppose maybe we should have pursued to see whether your Labour Relations Act, that you hold up in such glowing terms, prevents an MLA from meeting with his constituents on matters of organization drives, because if that is the extent to which your Labour Board, your tribunal, can assess information and indeed lay charges of unfair labour practices to MLA's who are doing their job, in their best estimate, in representing their constituents, I think we've got a pretty onerous piece of legislation. That is why I pose the question, because the threat was clearly there from the union organizer that our MLA was engaged in unfair labour practice.

Now I don't expect you to comment on whether he was or was not, because you don't know the details, but I'd like to know who would have ended up making the decision that our MLA was indeed engaged in an unfair labour practice by meeting with workers of a municipality who are in an organization drive at the workers' request. Who would make that decision, Mr. Minister?

HON. A. MACKLING: Well, as I've indicated to the honourable member, any decision as to whether or not an unfair labour practice has occurred is, pursuant to The Labour Relations Act, a decision of the Labour Board.

In respect to the news story and what the honourable member has also indicated before this committee, I read the article about this in the media. It is obvious that the matter was not pursued. I haven't heard anything further in respect to it. Presumably, the union involved, or whoever it was on behalf of a union, called, agitated, feeling or believing that there was an interference; but whether or not a person is doing something that interferes with the union's right to collective bargain or to organize in its endeavour to certify is a matter of fact, a determination of fact by the board.

One can speculate that there may be instances where MLA's or any individual may, by deliberate course of action or whatever, be counselling and actively involved in a matter which could be construed as unfair labour practice. But there may be many instances where an MLA is providing useful information, is being called upon to provide assistance in the finding of fact for constituents that, while there may be an organizing effort on, would not be construed as unfair involvement or unfair labour activities on the part of the MLA.

It's hard to generalize. I'm sure there are instances, extreme cases, where such a finding could occur. But I don't believe that MLA's would normally put themselves in that position. I think that they are responsible. They know that there is a Labour Relations Act and provisions, they know that there is a Labour Board that adjudicates these matters, and would not, I would think, readily be party to or likely to be found to be involved in unfair labour practice, but each case would have to be determined on its merits.

MR. D. ORCHARD: I guess, Mr. Chairman, that's what is troublesome to myself as an MLA representing all groups of people in my constituency. For instance, let's consider a circumstance of a meat processing plant where a labour union leader is promising something that he cannot deliver in terms of wages to the workers that are there. That's pretty attractive to those non-unionized workers. Management knows that wage demand or that wage promise by the union organizer, by the head of that particular union, is not achievable, that it's simply beyond the capacity of the industry in Manitoba, indeed Canada, and simply would never be achieved around the bargaining table.

Now the scenario straightforward is that if management of that meat processing plant say to their workers, "That is an unachievable promise that you have been given by that head of that particular union that is trying to organize you," immediately, as I understand the act, they're subject to an unfair labour practice. Your legislation and you, as Minister, would stand there and allow them to be dragged through your tribunal, found guilty and fined.

Now I sit back as an MLA and I say to myself if that union comes in and they take that union out on strike, because once they're certified the decertification process takes up to a year, etc., they come in there and they have made the promise of those kinds of wages, and I know from my understanding of the industry that those aren't achievable, that that is just pie in the sky that is being promised to those workers simply to get them to sign the union card and get more members to pay dues to fund the union organization.

I know it's not achievable and, furthermore, I know that if that union comes in, it may well reduce the employment and the activity in that processing plant in my constituency.

I'm the MLA; I represent not only the workers that are there. I represent the growers who provide the livestock to that plant; I represent the owners of the plant who are resident. I represent businesses who supply services to that particular packing plant. I mean I have everybody's welfare foremost in my concern.

In protecting the welfare in my constituency, if I say to those workers, by letter, what is being promised to you by the labour union organizer is unachievable and may cost you jobs, hours of work, salaries and benefits and cost this community, knowing that I'm speaking the truth to those employees, would I be subject to an unfair labour practice when I'm doing it to represent employees, owners, businesses in the communities, the rest of the ratepayers in the communities, that if that business goes broke there are no taxes being paid so that everybody else's levies will go up?

If I make that kind of a statement as an MLA representing all groups in my constituency, does your legislation allow that labour union boss to drag me through the tribunal, lay an unfair labour practice and make it stick when I'm only speaking out on behalf of the people who elected me?

HON. A. MACKLING: The honourable member is asking a speculative question. I indicated that there may be instances where the Labour Board could adjudge that, on the basis of the kind of involvement that any individual had, it was of a nature that was unfair in respect to the effort of the workers or someone on behalf of the workers to organize. Each case would have to be determined on its merits. There may be many instances, as I've said, where the role of the MLA may be adjudged by the labour tribunal as only reasonable, but that would have to be determined by the Labour Board.

MR. D. ORCHARD: Mr. Chairman, one final question to the Minister.

Because his act allows me, as the MLA, to be potentially dragged through the legal process before your three-person board, to go through considerable legal expense as an MLA representing those people, I guess the question I'd pose is: Am I then covered by this blanket legal fee policy that the government has in place for all MLA's? Would my legal fees be covered by that so I wouldn't be out of pocket to cover those?

HON. A. MACKLING: Mr. Chairperson, as I am not a Minister responsible for the insurance coverage on MLA's, I'm sure that question could be put to either my colleague, the Minister of Finance, or the First Minister in respect to the kind of protection that MLA's have.

Again, I reiterate that no one is above the generality of the law. Just like MLA's are subject to the statutes of Manitoba, generally, whether it be The Highway Traffic Act, The Health Act or any other statute of the province, MLA's are not above either the federal laws or the provincial laws.

There would have to be a determination of the Labour Board on the basis of whether or not the involvement of the individual was unreasonable, was such that constituted an unfair labour practice. I don't think that matter has been determined by the Labour Board or a court heretofore it. It may be that it has in the past - I'm not familiar with that - but I would say that the Labour Board is charged with making reasonable adjudications of the cases that come before it.

I would assume that unless there was some very significant unfair role of the MLA in this process, that the MLA would be recognized for playing a helpful role in most instances if he was providing information to his constituents.

MR. CHAIRMAN: The Member for St. Norbert.

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

Mr. Chairman, a question to the Minister: Why do representatives of the Manitoba Federation of Labour regularly attend his NDP Caucus meetings?

HON. A. MACKLING: Mr. Chairperson, I'm not familiar with whether or not we do have - I don't know whether the Conservative Party does this or not - but we certainly make no secret of the fact that we have people from our New Democratic Party attend caucus meetings, but they're there as members of the New Democratic Party. They may belong to trade unions; they may belong to professional associations; hopefully, they don't belong to your party.

MR. G. MERCIER: Mr. Chairman, could the Minister confirm that the outside representatives of the Manitoba Federation of Labour regularly review legislation before it is presented to the House? -(Interjection)-

HON. A. MACKLING: The Honourable Member for Pembina has provided the answer - no.

MR. G. MERCIER: The Minister is absolutely denying that representatives of the Manitoba Federation of Labour do not see legislation before it's introduced into the House.

HON. A. MACKLING: Mr. Chairperson, let me reiterate - no. When there is consultation on the part of this Minister, and I assume for all of my colleagues, we respect the requirements of the Legislative Assembly and any review of proposed legislation would be a review of the principles that may be contained in legislation, but not the legislation itself.

MR. G. MERCIER: The Minister then is acknowledging, at least to this extent that the principles of proposed legislation are reviewed by the Manitoba Federation of Labour before it is presented in the House?

HON. A. MACKLING: Yes, Mr. Chairperson. For example, in respect to pay equity legislation introduced by this Minister in the previous Session, principles of pay equity legislation were reviewed with representation from the Trade Union Movement, from the Chamber of Commerce, from the Canadian Manufacturers' Association, from the Status of Women and women's

organizations, the principles of the legislation, but not the draft legislation itself.

MR. G. MERCIER: Would the Minister not confirm that there is some legislation in which the only group to see it are representatives of the Manitoba Federation of Labour?

HON. A. MACKLING: Not to my knowledge.

MR. G. MERCIER: Could the Minister confirm that in the selection of the Leader of the New Democratic Party, the Manitoba Federation of Labour has automatic delegates to a convention?

HON. A. MACKLING: I'm not going to plead, Mr. Chairperson; that question is out of order and has nothing to do with the Estimates of the department.

A MEMBER: It sure does.

HON. A. MACKLING: Oh, it does. Well, we have some constitutional legal experts here. I don't think the Honourable Member for St. Norbert is saying that, because, after all, he is Opposition House Leader and knows what the rules are. But in respect to the representation at conventions of the New Democratic Party, it is a matter of public record that there are delegates that attend conventions of the New Democratic Party who are delegates elected by workers through affiliated unions.

MR. G. MERCIER: Mr. Chairman, as one of the representatives of the Manitoba Federation of Labour, has Mr. Wilf Hudson attended NDP caucus meetings?

HON. A. MACKLING: Mr. Chairperson, again I say that I believe that question is out of order, but I have no hesitation in saying "no." I don't recall Mr. Hudson attending a caucus meeting where I was present. I would say there are people coming and going from our caucus rooms, but whether they attend caucus meetings is another matter. I assume there are people who go into the Conservative Caucus Room that one might question as to whether or not they sit down with the Tory Caucus and advise and counsel them, but I'm not familiar with that. People do come before our caucus and make representation. I think sometimes there are good Conservatives who do that, but do we listen to them?

MR. CHAIRMAN: The Member for Brandon West.

MR. J. McCRAE: Mr. Chairman, the point raised by the Honourable Member for Pembina about the rights of MLA's vis-a-vis The Manitoba Labour Relations Act and some of the provisions in it which make it difficult for an MLA to have contact with his constituents, is the same problem faced by Reeves and councillors and mayors and aldermen, any elected official whose duty it is to be in contact with its constituents, many of whom may be employees of the corporation, the city corporation or town corporation, of which he is a representative so that the argument can go really quite a distance beyond this place and into a real argument about the fundamental principles underlying our

democratic system and the right of elected representatives to represent constituents whether it be at a provincial, federal or municipal level.

So the matter dealing with the Honourable Member for Turtle Mountain and indeed the allegations raised by this Minister and his leader and others about myself attending meetings to which I was invited, those remarks ring pretty hollow, but they are also pretty serious if they're taken to their logical conclusion as written in The Manitoba Labour Relations Act.

I find that kind of law offensive, I find it oppressive and I find it anti-democratic. It is law put into place by the New Democratic Party government and I maintain that the myth that has been spread by members of the New Democratic Party for many years of this province is nothing more than that - a myth - and little by little, Mr. Chairman, we are finding some success in breaking away the myth that surrounds honourable members sitting opposite from us in the Legislature.

HON. A. MACKLING: Well, I'm just going to indicate my disagreement with the honourable member. I think that he misses the point that throughout Canada - and Manitoba is no exception - and Courts of Law, from our superior courts here to the Supreme Court of Canada, have adjudicated on a great many occasions on the fact that the workers, when they are organizing, when there is an endeavour to organize workers into a bargaining unit, that there ought to be, and enshrined in law, there are provisions to prevent the deliberate interference with those rights.

It is not something unique to Manitoba. It is common practice in the Western World for that organizing period to be protected from arbitrary interference from anyone, whether it be someone in the legal profession, whether it be someone who is a politician or otherwise.

But as I indicated, there may be circumstances where the MLA can show that it was communication of reasonable information. It could be someone in the municipal field showing that they were merely providing information that those constituent people needed and that didn't amount or wasn't tantamount to interference or could be found to be unfair labour practice.

MR. G. MERCIER: Pass.

MR. CHAIRMAN: 2.(b)(1)—pass.

2.(b)(2) - the Member for St. Norbert.

MR. G. MERCIER: Mechanical and Engineering, Mr. Chairman, a matter that was raised to me by a constituent relating to the inspection of elevators. The report, for example, indicates last year there were 1,600 inspections. Where an order is made by an inspector, I take it, from The Elevators Act, there is an appeal to the board and there can eventually be an appeal or at least the board makes a recommendation to the Minister and the board or the Minister can accept the provisions of the act to the regulations to a particular elevator installation. Is that correct?

HON. A. MACKLING: Yes.

MR. G. MERCIER: Could the Minister indicate how many such appeals there were, say, last year?

HON. A. MACKLING: There were no appeals last year.

MR. G. MERCIER: So that there were no exceptions.

HON. A. MACKLING: No, I didn't recall any and that's confirmed.

MR. G. MERCIER: How often does this board sit?

HON. A. MACKLING: Basically as required.

MR. G. MERCIER: In the past prior to this year, have there been appeals or exceptions made to, I guess, orders of inspectors?

HON. A. MACKLING: Not in the last four years.

MR. G. MERCIER: Also under this section I believe are inspections of amusement rides and booths. Again last year there were in the Annual Report, from April 1, 1985, to March 31, 1986, their total number of inspections of some 363; 250 orders issued for remedial action, number of rides condemned, zero. I think this is consistent with the last number of years, although perhaps the total number of inspections have increased.

But the question has to arise, when there are 250 orders issued for remedial action, no rides condemned, how were those orders complied with? Were they complied with right on the spot, or were the rides taken out of circulation?

HON. A. MACKLING: I'm advised that they are either completed, done on the spot, when the deficiency is pointed out; or the ride is not allowed to be operated until the deficiency has been remedied.

I can confirm to the member that while there are a large number of remedial orders and no condemnations, that is, I think, reflective of the fact that the department is quite rigid in its detailed requirements in respect to the operation of those amusement rides.

And I want to go on record as being very supportive of detailed requirements and very thorough investigation by the staff, because I can indicate that I recall quite a violent thunderstorm occurring in the city - I believe it was last year - and I was very concerned because I'd heard about amusement rides being affected by unusual weather conditions; and I think the staff called upon me to re-ensure my concern in that area. I think that the public is well served by a very thorough inspection of those facilities.

MR. G. MERCIER: How many inspectors perform this work?

HON. A. MACKLING: Three inspectors. During the summer months there are three that are doing that work, and they do other duties the rest of the year.

MR. G. MERCIER: Obviously, they do other activities during the rest of the year. I take it they would have to perform a lot of work on weekends for these rides and travel around?

HON. A. MACKLING: Yes, both weekends and evenings.

MR. CHAIRMAN: The Member for Brandon West.

MR. J. McCRAE: Mr. Chairman, I'd like to raise with the Minister a matter that's been ongoing for some time concerning a resident of Brandon who has written to the Minister a number of times, and the First Minister.

It deals with Manitoba Regulation No. 146 of 1978, dealing with mobile homes. Would that come under Mechanical and Engineering, Mr. Chairman? Would that be Fire Commissioner?

HON. A. MACKLING: Under the Fire Commissioner's Office.

MR. J. McCRAE: Then I think we should go ahead then. I wonder, Mr. Chairman, I know the Honourable Member for Gladstone had a question under Mechanical and Engineering.

HON. A. MACKLING: We can come back to it.

MR. J. McCRAE: Could we come back to that?

HON. A. MACKLING: Sure, no problem.

MR. J. McCRAE: Okay. With respect to Fire Prevention then, Regulation No. 146 of '78.

HON. A. MACKLING: Can we pass this item then, so that, Mr. Chairman, we can come back to it anyway?

MR. CHAIRMAN: 2.(b)(2)—pass.
2.(c)(1) - the Member for Brandon West.

MR. J. McCRAE: Yes, Mr. Chairman.

The Regulation No. 146 of '78 deals with the condition of mobile homes upon sale. This is a matter I raised with the Minister last year. But a resident of Brandon has had a difficult time solving his problems. He had purchased a mobile home which never had repairs completed to the satisfaction of the Minister's department.

The department informed the vendor of the mobile home that the repairs would have to be done, and a time was given for those repairs to be done. They never were done. My correspondent asks whether Regulation No. 146 of '78 is or is not enforceable? If it is enforceable, why was it not enforced in his case? The Minister will be aware of this file.

HON. A. MACKLING: The staff don't have the particulars of the matter that the honourable member is referring to. If it's the matter that was also referred to the Premier's office, a gentleman had purchased this mobile home, the department sought relief for the purchaser from the vendor, weren't able to obtain that, but the vendor did offer to take the mobile home back, pay the purchaser the money and apparently that hasn't happened. The purchaser didn't want to do that. I guess he felt he'd struck a good deal, and, quite frankly, I don't know where it's at right now.

MR. J. McCRAE: Mr. Chairman, the purchaser did go to some expense, I can't tell you how much, but the purchaser did go to some expense to make

improvements to it, so that the offer of the vendor to buy the thing back wasn't satisfactory to the purchaser.

The purchaser is upset that it took several months from the time of the department's order to the vendor to bring the mobile home up to the proper standard so that by the time the matter was referred to the Attorney-General's Department, the opinion was that the thing had gone on for too long and that the Attorney-General's Department couldn't get involved because of the time limitation having expired, leaving the purchaser in the position that he's angry with the Department of Labour, or whoever it is that would be charged with the responsibility for enforcement of that.

So I take it the answer is, yes, that it is, but because of negotiations and correspondence, there was a time lapse which left this purchaser out of luck in terms of the lapse of time.

HON. A. MACKLING: I'm not familiar with the details of the case. My Deputy Minister, as well, doesn't recall all of the details either, but we'll certainly have a look at the case to see whether or not there's anything further that we can do or to see whether or not there was some weakness in our system because if there was, we'd certainly want to address it.

MR. J. McCRAE: I bring it to the Minister's attention. The last communication from this person to the department was April 22, 1987. If the Minister could provide me with the response that he's made, if he has made it; if he hasn't made it, if he could let me have it when he does, so that I can put some finality to this matter.

HON. A. MACKLING: Will do.

MR. J. McCRAE: We can move along, Mr. Chairman.

MR. CHAIRMAN: 2.(c)(1)—pass; 2.(c)(2) Other Expenditures—pass; 2.(c)(3) Engineering and Technical Services—pass; 2.(d)(1) Employment Standards: Salaries—pass.

2.(d)(2) Other Expenditures - the Member for St. Norbert.

MR. G. MERCIER: On page 31 of the annual report it shows Special Permits and Licences Issued by The Employment Standards Branch - Child Employment, 505 . . .

MR. CHAIRMAN: Mr. Minister, if I might, is there any prior arrangement to go beyond the hour of ten o'clock? What is the committee's wish?

HON. A. MACKLING: I leave it to the critic.

MR. J. McCRAE: I think we should continue, Mr. Chairman.

MR. CHAIRMAN: Would the committee inform me as to how long you'd like to go?

MR. J. McCRAE: I believe there's reason to think we can get finished tonight

HON. A. MACKLING: I leave it to the critic to determine.

MR. CHAIRMAN: Is that the committee's wish? (Agreed)

The Member for St. Norbert.

MR. G. MERCIER: Mr. Chairman, on page 31 of the annual report, there is indication under Special Permits and Licences issued by the branch, Child Employment, 505. Could he explain that?

HON. A. MACKLING: Young people under the age of 16 require to get a permit and the bulk of these would be students employed largely weekends and after school at a variety of occupations.

MR. G. MERCIER: That's 505 students under 16?

HON. A. MACKLING: Yes.

MR. G. MERCIER: I would suspect that's a pretty low number. Out of the number of kids who are actually working - I was aware of that - but I think there are a lot of kids who don't realize you have to get a special permit.

HON. A. MACKLING: The honourable member's speculation may be correct, but if they are 16 or over they don't require a permit. It may be that there are a significant number of employers who don't appreciate the fact that the worker would have to get a permit, but those are the numbers that we have recorded.

MR. G. MERCIER: Under 16, it's the employer's obligation to apply?

HON. A. MACKLING: Yes.

MR. G. MERCIER: On the minimum wage changes, there was a minority report with respect to that matter?

HON. A. MACKLING: While staff are looking, if they can find more details for me of the report, I recall that, as is frequently the case, there were areas of disagreement; that is, there wasn't unanimity of opinion in respect to the extent that the minimum wage should be changed. There was agreement in respect to some factors of the changes we affected. One was in respect to the elimination of the youth differential. That was a unanimous recommendation of the board.

Also there was unanimous recommendation of the board in respect to elimination of language which was determined by the board to be sexist in respect to working conditions that had been specifically related to females. It was no longer felt to be appropriate in the legislation in two instances, but there was disparity of a recommendation in respect to the quantum of minimum wage to be recommended to the government.

MR. DEPUTY CHAIRMAN, M. Dolin: The Member for St. Norbert.

MR. G. MERCIER: Mr. Chairman, could we have a copy of the report - both the majority and the minority report?

HON. A. MACKLING: I'm sorry, what was your . . .

MR. G. MERCIER: Could we have a copy of the report from the Minimum Wage Board?

HON. A. MACKLING: I'm advised that it is a report to the Minister and, as such, it is normally not subject to public release. I am rather open on matters like that. I don't want to establish a problem for colleagues in respect to that. I really don't know whether that is something that we ought not to release as a matter of course, but I really don't know.

MR. G. MERCIER: Mr. Chairman, we have had that before. The Minimum Wage Board, as I recollect, holds public hearings before making their recommendation or, at the very least, seeks submissions from the public and then makes - you know, when you have a board seeking public representations, then I don't see how any Minister could not release that kind of a report.

HON. A. MACKLING: I don't know whether I'll be establishing a precedent, but my own views are that that kind of report should be the subject of consideration publicly, and I will provide a copy to the member.

MR. G. MERCIER: I thank the Minister for that.

Mr. Chairman, would the Minister indicate whether or not there's any monitoring of jobs for young people under 18, in view of the doing away of the differential? Is there any way of finding out if the changes will affect jobs for younger people, whether employers, who may have had a financial advantage in keeping on younger people under that age at a lower rate will now, because they have to pay the same rate, be employing older younger people.

I think we're all aware of some of the chains who, I think, made it a practice to employ younger people or people under the age of 18 because they could pay them the lower rate.

HON. A. MACKLING: I don't know whether there is any monitoring of that.

I think very often business resents the kind of intervention that government makes, seeking so much information on their operations. But if that is possible, I'll certainly endeavour to get that information because I would and the department would like to determine whether or not some of the concerns that are out there, that might happen. That is, when you eliminate the youth differential, it may have a serious negative effect on younger people obtaining the same degree of acceptance in the work force.

That's a matter that can't be readily determined without an adequate monitoring. But how you can get that monitoring without being quite intrusive in respect to the operations of businesses is difficult. Maybe some sort of a survey could be conducted. I don't know.

MR. G. MERCIER: Mr. Chairman, there was a minority report that was received by one of the Minister's predecessors a number of years ago, which recommended a study of who receives the minimum wage and who is affected. It would enable people in government to be able to deal with this issue on the basis of some real knowledge of who is receiving

minimum wage and how it affects people, because the arguments are always made, well, you can't raise a family on the minimum wage - we sure know that - but how many people receiving minimum wage are actually supporting a family or what kind of circumstances?

It seems to me that it would help those in government making decisions on this, on an item like minimum wage, to be able to have a comprehensive study on who receives minimum wage. The Minister has already indicated that it could possibly be a significant effect on young people under age 18 because of the change that has been made, but no one has the facts. No one knows. I'm wondering if the Minister would be prepared to embark upon a comprehensive study of who is receiving minimum wage and the effects of increases.

HON. A. MACKLING: I think the honourable member is making a worthwhile suggestion; that it would be I think valuable to have a more clear understanding as to the number of people who are dependent upon minimum wage, or how people in wage categories that are close to the minimum wage are affected by the changes in the minimum wage.

My Deputy Minister is pointing out to me that in Ontario - I don't know whether it's the Ontario Government - it's a social planning council in Ontario, in Metropolitan Toronto, has done a study in respect to minimum wages and adequacy of income. I might say that those studies reflect the concern that we can't hold our heads very high as a society generally in Canada and I don't think we can be all that proud in Manitoba of the fact that, over the years, minimum wage has not kept pace with the percentage of the average industrial wage that it once had. The increases that have become effective as of April 1 and then will be effective as of, I think it's October 1, will still not bring our minimum wage back on par with what it was some years ago.

It may be a costly survey, but certainly it's a good suggestion. I certainly will discuss with the department whether or not - we don't have the money, I can be certain of that in this year's Estimates - but I think it would be something that we should plan for in the future to be in a position to make a more careful analysis as to what the results are and how many people are affected by minimum wage decisions.

MR. G. MERCIER: Mr. Chairman, one of the . . . I'd appreciate receiving a copy of that, and I'm sure the Member for Brandon West would.- (Interjection)- One other comment I'll just make. I note from the report there were in the last year, some 63,000 telephone inquiries, and some almost 7,500 in person, I guess, inquiries.

I must say that it's amazing, how many times over the course of the year you get inquiries from either small business operators in your constituency or from employees about some very, usually very detailed standards in The Employment Standards Act, about the number of hours and what can you do here, and what are you entitled to here. I, frankly, never had a complaint about anybody phoning this branch to find out information that does seem to be readily available and accessible to them. I think it's a service that should be continued at that level, because the kind of standards

that are contained in the act are something that an ordinary employee or ordinary small business operator simply doesn't have the time to keep up with.

This kind of information that, I think, is available through the office is awfully important to them, and to get the information through a quick, easy phone call is very helpful.

HON. A. MACKLING: I want to be very clear with the honourable member and point out to him that one of the one areas in employment standards, which I regret to advise in the budget exercise, that we reduced somewhat is the telephone open line or free line, the toll-free line. The elimination of that is effective for half of the year.

Apparently what was happening is that is that with the toll-free line, people were tying it up for extensive periods. If the person doesn't have the funds we will take the call. That is, if they say that they have a problem and can't afford and whatever, we'll take the call. But we felt that we could make a savings there because people would get on the line and just feel that they could talk forever. You know, get a whole history lesson if you like of what employers' and employees' rights are over a broad spectrum, rather than focusing in on their particular problem.

So I agree with the honourable member that information and communication is imperative. I was troubled when that item was brought to me but I was reassured that we could live with that change. Certainly, I'll be monitoring it to make sure that there's no problem.

MR. CHAIRMAN: 2.(d)(2)—pass.
2.(d)(3) - the Member for St. Norbert.

MR. G. MERCIER: Mr. Chairman, I note that in this section last year, or at least in '85-86, there was some \$408,000 paid out under the Payment of Wages Fund. What was the actual amount in '86-87?

HON. A. MACKLING: Well, the net in '85-86, after recoveries . . .

MR. G. MERCIER: Do you operate on the net or the gross there?

HON. A. MACKLING: It's on the gross. Then we could take the deductions off. I just want to confirm to you what the net was in '85-86. It was \$334,300.00. In '86-87 the Adjusted Vote was 320, the net expenditures were 349,110. We believe that, given the fact that we've been doing very well in respect to recoveries, the 320,000 is a reasonable estimate of what we will require in '87-88.

MR. G. MERCIER: Mr. Chairman, the Minister has talked about increases in the minimum wage and how they haven't kept up with the industrial wage index over the past number of years. Payment of Wages Fund was established in 1980, I believe, at \$1,200 per employee, maximum. Why hasn't there been any consideration given to increasing that amount with the industrial wage index?

HON. A. MACKLING: I'm given to understand that even at that figure, it recovers about 90 percent of the

outstanding wages. I might say also that there have been discussions with the Consumer and Corporate Ministers - I wear that hat as well - under amendments to The Bankruptcy Act to provide for a Payment of Wages Fund. Regrettably, that hasn't proceeded to any extent but certainly an ongoing concern of our government, both from the point of view of protection of wages - and it certainly would be of great assistance because at the present time the courts have a very mixed attitude in respect to the priority of wages in the event of bankruptcy.

You may recall - I don't know whether I commented on this last year or not - there was a deemed trust provision to our legislation which regrettably was not upheld by our Court of Appeal. While deemed trust provisions have been found supportable by other Courts of Appeal, our Court of Appeal and one other Court of Appeal - I'm just trying to recall which one now - went the other way. We applied to the Supreme Court for leave to appeal and were denied.

So I've just recently written to Harvie Andre, with whom I disagree violently on one other matter, asking him to further the concerns that we have in this area - payment of wages - by either changing the bankruptcy law to provide for the priority of wages in the deemed trust provisions, or to develop this Payment of Wages Fund, which has been discussed with the provinces but has not materialized yet.

MR. G. MERCIER: In how many cases in '85-86 and '86-87 did the lost wages exceed \$1,200.00?

HON. A. MACKLING: Well, the answer I have again is that the payment from the fund generally satisfied about 90 percent of the cases. Ninety percent would receive all of the wages that were due to them under that ceiling.

MR. CHAIRMAN: 2.(d)(3)—pass.
2.(e)(1) Salaries, Labour Board - the Member for Brandon West.

MR. J. McCRAE: I'd like to ask the Minister if he's made any appointments lately to the Labour Board.

HON. A. MACKLING: Recommendations have been received from the chairperson following his communication with both the management side and the trade union side in respect to proposed nominations. The chairperson has referred those names to me. I will be taking them in due course for further consideration by my colleagues.

MR. J. McCRAE: The Minister says "in due course" and my mind boggles a little bit because when I asked questions about the appointments he made in February and then rescinded in March, the Minister's explanation was that in February, when he first made the appointments, there was some urgency; and now we're at June 1, almost June 2, and now we're going to hear about this in due course.

I understand the chairman of the board turned those names over to the Minister recently. If there's so much urgency back in February, what's happened between February and March when the positions were rescinded to make it so that there's no urgency anymore?

HON. A. MACKLING: The honourable member, obviously - and I don't expect him to recall the details of my answer I gave him in the House.

MR. J. McCRAE: I do recall.

HON. A. MACKLING: Well, then he will recall my indicating that at the time I had been away. I did take a break in the winter and then there was a period when I came down with that very persistent flu. When I returned to the office, I was given to understand that there was some concern, some urgency, with proceeding because the appointments had become due.

I proceeded to take the matter to Cabinet, and as I indicated, following the initial decision, I realized that there was a net reduction of one woman from the Labour Board and we'd had a concern prior to these appointments that there be certainly a keeping of the number of women on the board. If anything, we wanted to see more women on the board because there's no parity at all. There's a relative dominance of men; perhaps that reflects the workplace. But we feel we want to have more representation by women on the board and a request was made through the chairperson to both parties to reconsider those names so that we could have better representation by women.

MR. J. McCRAE: Mr. Chairman, we are reminded almost daily by honourable members of the New Democratic Party that 14 of the last 18 years, or 13 of the last 17 years, something like that, the New Democrats have been in power in this province, and it's passing strange that in the spring of 1987 the Minister of Labour, who's been around for many of those years, should start to understand that there's a dominance of men on the Labour Board. I really find this explanation hard to swallow. If it's a new-found interest in seeing that women are properly represented on the board, I say fine, good, it's about time.

But there's something not ringing quite true here, because the Minister of Culture, Heritage and Recreation, who is responsible for the Status of Women, will tell this Minister, if he doesn't already know, that we've had in this province a policy for the appointment of women to boards and agencies for some time. She could also tell the Minister what that policy is.

I sympathize with the Minister; I had some health problems this winter, too, and I didn't have the opportunity to get away as he did.

I really find this quite incredible that the Minister should appoint people to the board and then rescind those appointments. Is there something wrong with the appointments that were made, that for the sake of one woman he had to rescind the appointments for two people on the management side, two people on the labour side?

You know, I don't know Mr. Tripp, for instance. I have not had the pleasure of meeting the gentleman; but I know of a Mr. Gardner, a well-known labour lawyer, and have no reason to think he couldn't do a fine job as a member of the Labour Board.

For the sake of, I take it, one appointment, one woman for the labour side and one woman for the employer side, the Minister chose to rescind four appointments. All this doesn't seem to add up. The timing is awfully strange, too.

HON. A. MACKLING: Mr. Chairperson, the honourable member can have all of the suspicions and doubts. The balance of the representation on the board, as the honourable member knows, is for an equality and out of a concern to ensure that at the very least we had the same kind of balance that we had in the past. I requested that we only proceed with four from each side rather than pull back two from each side, to afford each party an opportunity to see whether or not at least one or more of those - the balance of four positions - could be a woman.

The honourable member knows, or may recall, one of the women representatives on the board, on the management side, Ms. Laurina Perfumo, did not wish to be reappointed. There was, therefore, going to be only one woman on the board on the management side, compared to 11 - (Interjection) - well, 11 positions and on the employee side, there were three women representatives.

I would have hoped that we'd get two women recommended from the management side. That would give us three women on each side of the balance.

I won't comment on the recommendations I've received, because that's a matter that I have to bring forward.

MR. J. McCRAE: Has the Minister written letters of apology to the four whose appointments he rescinded three weeks later?

HON. A. MACKLING: I don't think that's necessary.

MR. J. McCRAE: Some people see things differently, I guess.

The Premier and the Attorney-General and this Minister have referred at various times to the Manitoba Labour Board as a quasi-judicial body, a judicial body, or the judicial arm of the Government of Manitoba. Is it the position of this Minister and, by extension, all his Cabinet colleagues, that judges, for instance, in the Province of Manitoba or anywhere in the country should maintain their contacts with political parties and their contacts with their former occupations, and that they should continue to donate money to political parties?

HON. A. MACKLING: Quasi-judicial tribunals are distinct from judicial tribunals, and the honourable member appreciates the differences. I don't think this is the occasion when I give the honourable member my assessment as to why those differences have been built into the system. If the honourable member would like, I will take some time to do that.

Let me say that quasi-judicial tribunals are an extension of government, a direct extension of government. They are at arm's length, but they're an extension of government.

Judicial tribunals, on the other hand, have been deliberately fashioned to be a complete separation from government. Thus it was that judges, once appointed to courts, the federal courts, lost their right even to vote, let alone participate and be contributors to a political party. They became political eunuchs in the fullest sense, not even having the right to vote. That is being subject to review at the present time.

I think the Attorney-General, in the review that's been made of provisions of the Charter, has brought to our

attention the concern that judges feel that they should not be denied the right to vote. Certainly, people who are appointed to administrative tribunals have never been put in the same category, have been recognized to be participants in the fullest sense of any processes available to citizens, including political involvement, campaigning or otherwise. That is certainly not the case in respect to judicial tribunals.

MR. J. McCRAE: The Minister's reference to a direct extension of the government was a pretty telling comment. Of course, he was quick to add, "but they are at arm's length," and this is what we've been hearing a lot of with respect to the Labour Board and other boards and agencies of this government.

The Honourable Member for Kildonan wants to get into the act and remind us that it's management and labour on the board, and I wish he would take note of the fact that there are no employee representatives on that board. There are no representatives of non-union employees. There are no representatives of in-plant-type union employees.

There are representatives of the friends of the New Democratic Party on the employee side. I can't comment so much on the employer side, but the Minister keeps forgetting that there are workers out there who are governed by these two bodies, the employer side and the union side. This is something I've been reminding the Minister about quite a lot, and I wonder if the recommendations that have been placed on his desk contain names - I know there will be names of women, which I applaud - but will those names be names of representatives of working people, not unions.

I've been trying to make the point that there is a very distinct difference between a union leader and the people who he claims, in some cases, to represent and, in other cases, very adequately does represent. This is a point that I think the Minister should bear in mind and see if he can't find some way to better represent the average working man and woman in this province.

It's a very, very important principle, and I think it's time that in our society we recognized that there are very powerful forces on the organized union side as well as on the employer side. Let's remember that many of the employers in this province are not international employers, as some of the unions are international unions and, of course, many of the unions in our province are not international too. So a lot of employers are small, and whose interests are very, very much the same as are employees. Certainly, that is the case to a large extent in non-union shops. But I do ask the Minister to keep some of those things in mind when appointments are being made to the board.

Maybe we should be getting away from perhaps getting the list - maybe there should be a different way of appointing members to the board, so that we don't end up with people who are obviously good friends of the political parties. We know that the lists I have show that a number of the members of the Labour Board - whom I hate to impugn in any way at all because I would like to believe that the decisions they make are totally fair and totally equitable and non-biased in any way. But when we know that they have connections to the New Democratic Party, certainly by virtue of cash donations to the party, it makes one wonder, especially

in view of some of the situations that have been developing in this province.

The Member for Kildonan can keep shaking his head until it falls right off - I don't care. In fact, we might be better served if it did.

MR. M. DOLIN: When you start facing reality, I'll stop shaking my head.

MR. J. McCRAE: The member wants me to face reality. The fact is I have faced the reality. I know the reality, and the reality is not very pleasant for the workingmen and women of this province.

MR. M. DOLIN: I didn't hear anything about Obie Baizley when you guys were government, who was a former Tory Cabinet Minister, as chairman of the board. You forget to mention who you people appoint, so let's not be so holier than thou, Jim.

MR. J. McCRAE: Mr. Chairman, the Member for Kildonan should raise his hand if he wants to get into the debate.

The point is the law that we have before us has been very carefully tailored for the union movement in this province, and then this Minister stacks the Labour Board with so many union representatives, forgetting all the time about the working people of this province and forgetting that we need very much to be competitive in this province. We need a fair investment climate for businesses to locate here. Obviously, it is businesses that put people to work, so there is no need for us to apologize when we try to promote a healthy business climate in this province either.

I just ask these things of the Minister and that he keep them in mind when the time for appointments comes. Maybe there's nothing wrong with a little reform when it comes to making appointments to such important boards as the Manitoba Labour Board. I wouldn't be making these comments if everything I had witnessed in the last year or two had been demonstrably fair and equitable to the working people of this province.

HON. A. MACKLING: Well, to the extent that what the honourable member is saying indicates a lack of fairness or reasonableness on the part of the board, I vehemently disagree. I think the board has conducted itself in a fair and reasonable manner, and I think that the record of the board in respect to its adjudications speaks for itself. The courts of this province and of this land, including the Supreme Court, have had occasion to adjudicate on the decisions and the care in which this board has handled the cases that come before it, and I find no reason to be troubled about the continuing excellence of this board in respect to labour matters that come before it. I reject categorically the suggestion that somehow there is inadequacy and an unfairness and a prejudice there.

Historically, the Labour Board has been representative of the two significant factors in the industrial society in which we live, industrial and manufacturing society in which we live. They reflect the composition of the board by management and by organized workers who, over the years, have developed significant skills in adjudicating the questions that arise

under The Labour Relations Act, involving certification, the conduct of labour relations by both parties to the labour relations equation, and questions of decertification where they arise, all of the matters that properly are there before that tribunal under The Labour Relations Act.

I think they do an excellent job and I have no reason to agree with the honourable member's suggestions at all.

MR. CHAIRMAN: The Member for St. Norbert.

MR. G. MERCIER: Mr. Chairman, the annual report indicates that the board dealt with a relatively small number of cases under The Workplace Safety and Health Act. Could the Minister briefly outline the kinds of cases that were brought under that act to the board? Do these in any way involve instances where an employee refused to work under conditions that he felt were detrimental?

HON. A. MACKLING: A number of cases that the chairperson, Mr. John Korpesho - I should introduce you - has pointed out to me were smoking in the workplace, unsafe working conditions, scaffolding, lead emissions in air. That's a quick cross-section.

MR. G. MERCIER: There were apparently two rulings made. Can the Minister briefly outline what those rulings were?

HON. A. MACKLING: The chairperson would have to check the records and his notes.

One of the orders involved made by the board - it was a consent order after a hearing - the board has just recently confirmed an order that the parties agreed to in connection with the safe handling of batteries, lead emissions.

MR. G. MERCIER: The Minister doesn't . . . information with respect to the other ruling that's not available.

HON. A. MACKLING: I'm sorry, I can't. If you can give us - it's just a line there in the report that says "two rulings"?

MR. G. MERCIER: M'huh.

HON. A. MACKLING: I'm sorry.

MR. G. MERCIER: Well, if the Minister could supply that to us at a later date.

The report also indicates there were another six applications withdrawn. Are those withdrawn after some sort of discussion or conciliation or mediation between parties?

HON. A. MACKLING: I'm advised that those cases were likely the result of mediation on the part of the board and then the parties got together and agreed to the necessary satisfaction of the problem.

MR. CHAIRMAN: 2.(f)(1)—pass.

MR. J. McCRAE: Are we in Conciliation and Mediation Services?

MR. CHAIRMAN: Yes, Conciliation and Mediation Services.

The Member for Brandon West.

MR. J. McCRAE: I understand the director of this branch has retired or - I think the Minister dealt with that in his opening statement. Has he been replaced?

HON. A. MACKLING: The competition has been advertised.

MR. CHAIRMAN: The Member for St. Norbert.

MR. G. MERCIER: Has this area been involved in the SuperValu strike that's to take place Wednesday night?

HON. A. MACKLING: I just want to introduce Jim Davage, who is with us now; and the answer is yes, there is a conciliation officer.

MR. G. MERCIER: There has been?

HON. A. MACKLING: Yes.

MR. G. MERCIER: There were recommendations made to both parties?

HON. A. MACKLING: Yes, and there are continuing talks with the parties.

MR. G. MERCIER: The conciliation is continuing right up until Wednesday, I guess, until the final . . .

HON. A. MACKLING: Yes, and thereafter.

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

2.(g) Apprenticeship and Training: (1) Salaries - the Member for Brandon West.

MR. J. McCRAE: I just wonder what the long-term plans for this part of the department are. I see there is a reduction of a staff year and that reflects the elimination of a vacant Manager of Field Services position. I am just wondering if the Minister can very briefly tell me if there are any longer-term plans for Apprenticeship and Training in our province, or is the thrust of this type of thing going to be more and more in the Employment Services Department?

HON. A. MACKLING: There is ongoing concern in respect to the area of Apprenticeship and Training, particularly in view of the signals that the Federal Government has been sending, indicating their unwillingness to continue the level of funding that they provide for Apprenticeship and Training, particularly through the Community Colleges, and the whole area is under very active consideration to reinforce, particularly, our concern that Apprenticeship and Training is still a very important segment of the needed programs in the province.

MR. J. McCRAE: The hope for the next year is the registration of approximately 1,000 apprentices. How

many were registered in the last fiscal year, and the year before that? Which direction are we going, regardless of the Federal Government's part.

HON. A. MACKLING: My understanding is that the total enrolment has been on the increase from 2,500 to 3,400 with a significant part of that being with respect to Native employment on the northern training.

MR. J. McCRAE: Is this program involved with the Limestone Training Program?

HON. A. MACKLING: Yes, we're involved in registration of the apprentices and the curriculum of the program.

MR. J. McCRAE: Would you know how many people have registered for training with the Limestone training plan, and how many have got employment with Limestone?

HON. A. MACKLING: I'm given to understand that full detail of that would have to come from the Employment Services branch, but we have 450 registered at the present time, approximately.

MR. CHAIRMAN: The Member for St. Norbert.

MR. G. MERCIER: Can the Minister indicate the success of the apprenticeship and training programs over the past number of years? How many people are obtaining permanent employment as a result of these programs? Is there any monitoring or study of it to indicate the number who are successfully obtaining permanent employment?

HON. A. MACKLING: I'm given to understand that all of this is market-oriented and is fully supported by both management and union points of view, and that in many instances, the apprentices are fully employed while they're under apprenticeship, and continue in full employment when they receive their journeyman status.

MR. G. MERCIER: So there's no hard statistics, though, or monitoring of it?

HON. A. MACKLING: No, I don't believe there are stats. I think there is an assumption that once they have attained their trade status, their chances of being fully employed are very, very high. There are times when, of course, in a particular field, whether it be in the construction trade, there is some reduction in the workforce seasonally.

MR. CHAIRMAN: 2.(g)(1)—pass; 2.(g)(2)—pass.
2.(h)(1) Pension Commission: Salaries - the Member for Brandon West.

MR. J. McCRAE: I think in the future the Minister might want to consider "journeyer," rather than "journeyman." Try it and see how it feels.

How many applications since the legislation was passed in the last Session? In the last Session, we passed legislation dealing with the withdrawal of surplus pension funds, and I'd like to ask the Minister how

many applications have been made since that legislation was passed to the Pension Commission; and how many applications were granted and how many were declined?

HON. A. MACKLING: I want to introduce Gail Feindel.

The superintendent of Pensions has left the service. He got a very attractive offer, I believe, in Edmonton. That position is going to the subject of competition within the department.

I'll get the number as quickly I can. I don't believe there has been any final adjudication or any determination by the Pension Commission yet on the cases that were pending.

MR. J. McCRAE: Was there a report of the Pension Commission filed? I don't have it amongst all my documents. Was there a report filed?

HON. A. MACKLING: No, I don't believe so. There is never.

MR. CHAIRMAN: The Member for St. Norbert.

MR. G. MERCIER: I thought there was a separate report.

HON. A. MACKLING: I don't think there's a separate Pension Commission report. It's a combined report; it's within the departmental report.

MR. CHAIRMAN: The Member for Brandon West.

MR. J. McCRAE: So all we would have . . .

HON. A. MACKLING: -(Interjection)- Money saving, I'm given to understand, which is . . . I should get that on the record.

Did you identify me, please?

MR. CHAIRMAN: I can now.
Mr. Minister.

HON. A. MACKLING: I'm given to understand that economy in including the Pensions Report within the department report was to effect a saving to the department.

MR. J. McCRAE: You wouldn't happen to know - I'd like to give you the opportunity to tell us how much you saved by doing it that way.

HON. A. MACKLING: A couple of thousand dollars likely, and we run a very tight ship.

MR. J. McCRAE: The people who use the Brandon General Hospital will be pleased to hear that, to know that in one area of spending in this government, we have found a saving. I appreciate that; it's good to hear that.

HON. A. MACKLING: There have been many other instances, Mr. Chairperson, where we pinched and squeezed to make sure that we were getting full value for our dollar.

MR. J. McCRAE: The Minister is telling us that so far all we've got is applications and they haven't been processed?

HON. A. MACKLING: That's correct.

MR. CHAIRMAN: The Member for St. Norbert.

MR. G. MERCIER: I believe it was last year that legislation was passed relative to the withdrawal of surplus refund monies?

HON. A. MACKLING: That's correct.

MR. G. MERCIER: Have there been any applications or approvals of such applications . . . oh, sorry.

MR. CHAIRMAN: The Member for Brandon West.

MR. J. McCRAE: Would the Minister know how many applications there have been, or is that information he's going to get for us?

HON. A. MACKLING: About six or eight applications subsequent to the legislation.

MR. J. McCRAE: We can pass on to the next one.

MR. CHAIRMAN: Item 2.(h)(1)—pass; 2.(h)(2)—pass. Item No. 2.(j) Grants - the Member for Brandon West.

MR. J. McCRAE: Mr. Chairman, earlier in the Session, maybe a couple of weeks or a week ago, I asked the Minister if he could get me more detailed information about the Manitoba Labour Education Centre. He mentioned it in his opening remarks and there's reference to it . . . I thank the Minister who has just passed me a piece of paper.

HON. A. MACKLING: I regret you didn't get that earlier. It's my understanding that was being delivered to you, but you didn't get it.

MR. J. McCRAE: If I could just have a minute.

Mr. Chairman, the Manitoba Labour Education Centre is receiving \$204,800 in core grant funding this year. I understand that centre has been receiving it for four or five years at about \$200,000 a year. We must be up to about \$1 million dollars by now on core grant funding for that centre. Am I correct?

HON. A. MACKLING: Yes, you'd be correct. In total, it would be about \$1 million since 1982.

MR. J. McCRAE: Can the Minister tell me a little bit about the centre?

I see it says here that there have been some 400 people who have attended courses during '86-'87 throughout the province. How many hours would the courses be?

I am trying to get a feel for what this labour institute does and how many people are involved with it, how many employees it has, what other funding sources it has.

HON. A. MACKLING: The number of staff is two, but we're in the process of hiring an administrative assistant, or they are, at the present time.

The courses range in length from 20 hours - I understand that there may be some 40 hours. They are seminar type over weekends, evenings - a broad range of topics. They deal with legislation, questions of looking at the workplace, principles of control, making committees function - particularly health safety committees, toxic substances, accident investigating and reporting, problem solving for committees, a whole range of particular studies in respect to the question of noise in the workplace, a broad range of activity. The courses, for example, will take a weekend. In many instances that's the preferred course duration.

MR. J. McCRAE: What other funding sources does this Labour Education Centre have? Do the subscribers to the courses pay fees?

HON. A. MACKLING: I don't believe there's any other major funding source. They do recover small amounts on some publications and the fees that are charged for entrance to the courses are a nominal amount.

MR. J. McCRAE: So, basically, this Labour Education Centre is an agency of this government, then, if it has no other funding source. Is that a fair statement?

HON. A. MACKLING: Well, it's certainly largely supported by this government. Correct.

MR. J. McCRAE: Who are the people involved? You said there were two staff and one - what was the other position there?

HON. A. MACKLING: There's an executive director and an administrative assistant.

MR. J. McCRAE: Okay. Could you tell me who the executive director is?

HON. A. MACKLING: The Executive Director is Terry Kennedy and the Administrative Assistant is Janice Kawka. The Board of Governors is John Pullen, Wilf Hudson, Chris Monk, Rick Brynne, Nolan Reilly, Tom Mitchell, Mr. S. Snyder, Susan Hart-Kulbaba and Larry Gagnon. That's the Board of Directors, I understand and, obviously, largely reflective of organized workers.

MR. J. McCRAE: The number "200" kind of rings a bell, Mr. Chairman. It reminds me of the \$200,000 that the Minister of Health paid to the Operating Engineers to settle a dispute a couple of years back.

And the names that the Minister rhymes off: Mr. Pullen, the former President of the Manitoba Federation of Labour - is that correct?

HON. A. MACKLING: That is correct.

MR. J. McCRAE: Mr. Hudson is the President of the Manitoba Federation of Labour?

HON. A. MACKLING: That is correct.

MR. J. McCRAE: What is Mr. Monk's other labour affiliation?

HON. A. MACKLING: Canadian Paper Workers' Union.

MR. J. McCRAE: And Mr. Brynne?

HON. A. MACKLING: Prairie Director of Education of the Canadian Labour Congress.

MR. J. McCRAE: And Mr. Reilly?

HON. A. MACKLING: He is with the History Department of the University of Winnipeg.

MR. J. McCRAE: Mr. Mitchell?

HON. A. MACKLING: He is Director of Continuing Education at Brandon University.

MR. J. McCRAE: And I know Mr. Snyder to be an employee of McKenzie Seeds at Brandon and a member of the board of McKenzie Seeds and the Secretary of the Brandon and District Labour Council.

HON. A. MACKLING: Sounds like he's well qualified, then.

A MEMBER: What is your point, then?

MR. J. McCRAE: What is my point? Some of these people are the people who are operating this government, Mr. Chairman, and that is the point. This government is . . .

A MEMBER: They'll be flattered to hear it.

MR. J. McCRAE: They've heard it before.

A MEMBER: They might be embarrassed . . .

MR. J. McCRAE: I'll tell you, the 1 million this government has given to this Labour Education Centre this last few years could very well be spent at my hospital, at Brandon General Hospital and assist in making sick people better and keeping people in a place where they should be rather than cutting 49 beds this summer at my hospital in Brandon - (Interjection) - It's in my community. And there are 31 beds cut permanently last summer.

But this government has \$1 million to give to the Manitoba Labour Education Centre when we already have the best labour laws and the best labour climate in all this country according to this Minister. And we have to spend \$1 million over the last five years for this.

HON. A. MACKLING: I don't believe that I should allow that virtual diatribe to go unanswered. The Minister of Health, with respect to the hospital facilities in this province, has indicated it is no longer acceptable for hospitals to engender large deficits and then call upon the province to pick up the deficits.

There is a continuing need for fiscal management on the part of everyone - including government. The

monies that we spend in respect to labour education are monies well spent. Workers are better advised, better counselled to be effective participants in the workplace - more knowledgeable, more understanding, more effective in respect to making sure that the workplaces in which they work are safe and reasonable and fair.

MR. CHAIRMAN: 2.(j)—pass.

2.(k) Pay Equity: (1) Salaries - the Member for Brandon West.

MR. J. McCRAE: This year, as of the end of this month, I understand, the employers and employees at all these Crown entities listed in the back of the annual report of the Pay Equity Bureau must reach their agreements on classifications, I believe it is. Then after that, negotiations begin as to how those are to be applied.

Does the Minister know, or can he find out for me, the payrolls of each of the Crown entities, external agencies, hospitals, and universities - what those payrolls are so that we'll know what we have to be prepared for over the next four years?

As I understand The Pay Equity Act, one percent of the payrolls of these agencies would be involved in pay equity. I think the people should know what the payrolls are so that we'll be able to calculate what we're looking at over the next four years in terms of cost.

Can the Minister make available to me the payrolls of these various agencies?

HON. A. MACKLING: Madam Chairperson, first of all, I'd like to introduce Roberta Ellis-Grunfeld, who has joined us at the table now, who is Acting Director of the Pay Equity Bureau. - (Interjection)- Pardon me?

A MEMBER: He's not "Madam Chairperson."

HON. A. MACKLING: Oh, I'm sorry.

MR. CHAIRMAN: I don't mind.

A MEMBER: As equitable as you want to be . . .

MR. CHAIRMAN: I guess it's a pay equity thing.

HON. A. MACKLING: He is so good looking that I . . . All right, that's sexist.

Mr. Chairperson, in respect to the specific inquiry of the honourable member, I don't think that I have available to me the specifics of each of the payrolls. Certainly, it will be part of the process that each of the individual corporations and agencies will be looking at pay equity costing, but our experience, or at least the experience of jurisdictions that have introduced pay equity, leads us to believe that our estimate of one percent per year is well within reason. I think the Minnesota experience was under 4 percent - 3.7.

We do not think that given the phasing over a four-year time frame of 1 percent per year is going to work any particular hardship on any one of the Crown corporations or major agencies that are listed in the schedule. We think it's eminently reasonable, because in any normal year you're looking at some percentage increase in the total payroll. So we think that a 1 percent of payroll should not be any hardship to deal with.

MR. J. McCRAE: One percent of payroll would be no hardship, for example, to a hospital which has not already had to cut back hospital bed capacity. It wouldn't be a hardship for a university if it was adequately funded. But, as the Minister of Education and the Minister of Health would be the very first to admit, funds are tight. They are tight for the government; they are tight for these institutions. Take 1 percent of the payroll of the budget of the hospital with which I'm most familiar, Brandon General, and I'm told that some 80 percent of the costs at Brandon General Hospital are wage costs. One percent of that would be fairly significant and the Minister says there will be no hardship.

Does this mean the government will be providing additional monies to cover an extra 1 percent per year for the next four years above and beyond whatever other funding there would be for all these agencies to pay for pay equity, so that what the Minister says would indeed be true, there would be no hardship as a result of the imposition of pay equity on these institutions?

HON. A. MACKLING: First of all, let me say, yes, the honourable member is right. Both in higher education and in the health field, the monies have become an issue, an issue because a Federal Conservative Government has continued to cut back on fair allocation of funding of these programs which, historically, Federal Governments funded on an equal basis with the province.

They have cut back to the point where it is embarrassing, I'm sure, even to the Honourable Member for Brandon West, that this present Federal Government continues in its policy of capping its participation in the funding and saying, oh, yes, it's still increasing and tries to convince people in this province that they're having to cut back.

They have put a ceiling on the amount of money that they're contributing, such that with escalating costs in our society, particularly in the health field with more and more demands for sophisticated health equipment and health procedures, that the costs are escalating and the Federal Government has capped their participation. It is a source of irritation and concern with this government in respect to the amount of money that is available from Ottawa, and we have to be very careful about our spending, but we are not going to take out cuts and slashes on the system and keep workers in inequitable pay conditions.

We have a duty to women in this province to address the systemic problem of pay inequity that has existed for far too long. Where is the money going to come from? It's going to come from the same base that it has always come from. But what we are going to do with the Crowns and the agencies is indicate to them that in their budget, of course, they will build in the costs that are necessary in respect to their pay packet. Then we will address the concerns of their budget requirements.

We're not saying to them that, in addition to your conventional spending, you're going to have another one percent of payroll. No, they're going to have to agonize and budget for the cost of their operation, which will include fair wages to female workers. That's what pay equity is all about. When we look at their

budgets, we will certainly take into consideration the fact that their pay packet has had to increase in respect to pay equity.

MR. J. McCRAE: The Minister doesn't need to lecture me, Mr. Chairman, about the fact that women in society have still not achieved those things that need to be achieved to bring about equity and fairness for everyone in the workplace. I don't need any of those lectures from this Minister. I certainly don't need any lectures from this Minister who squanders millions and millions of Manitobans' dollars. I don't need any lectures from him about the way the Federal Government is funding the Minister of Education's department or the Minister of Health's department. This is the last Minister who should be giving us any lectures whatsoever about matters of that kind.

The Minister might do well just to direct himself to the questions. To attempt to blame the Federal Government for the ridiculous spending habits of this government really doesn't wash with me now - never has. If he wants me to be embarrassed about the Federal Government, the Minister will know when I'm embarrassed about the Federal Government because I'll make that known as I've done in the past. I don't need this Minister to tell me when I'm embarrassed.

This Minister needs to be told when he's embarrassed. He never has been able to demonstrate that he's embarrassed when he should be. All Manitobans think he should be, but he sits there blissfully ignorant of the feelings of Manitobans, blissfully ignorant of the feelings of workers in this province.

I don't need any of those lectures from this Minister. I asked a question; I didn't ask for a lecture.

MR. CHAIRMAN: 2.(j)—pass.

2.(k) Pay Equity: Salaries (1) - the Member for St. Norbert.

MR. G. MERCIER: The report indicates that the second agreement must be reached by September 30 of this year and filed with the bureau by October 30. At what stage does it become public?

HON. A. MACKLING: The agreement, when reached, will be - well, there's an obligation to file it with the Pay Equity Bureau, and the Pay Equity Bureau is under an obligation to file a report in the Legislature and, of course, that would follow.

MR. G. MERCIER: Why is there a month delay? I understand that it must be reached by September 30 and filed with the bureau by October 30. Why isn't it filed with the bureau as soon as it's reached?

HON. A. MACKLING: It will give some flexibility in the processing of the information by the bureau, because there are a number of agencies that will be filing and, in some instances, the parties will take some further time to refine the agreed-to document. They may arrive at agreement at the 11th hour of the time period and, in some instances, the agreement that is reached will have to be ratified, while it may be agreed in principle by the shareholders or the workers.

MR. G. MERCIER: When would the increases be in effect?

HON. A. MACKLING: The effective date is a negotiable item, but it would be open to the parties to agree upon October 1, if that occurs. That is negotiable.

MR. G. MERCIER: Why can't the report be made available or sent out to MLA's once it's filed with the bureau?

HON. A. MACKLING: I don't think there would be any difficulty in making public, in whatever form, the results of the agreement, because that would be a matter of public information in due course, in any event, as I had indicated. If it was reasonable to put it out earlier, why, certainly, we could look at that.

MR. CHAIRMAN: The Member for Brandon West.

MR. J. McCRAE: Does the Minister propose any further pay equity legislation in this Session?

HON. A. MACKLING: No.

MR. J. McCRAE: How many private sector employers have agreed to implement pay equity in the workplace since the passage of The Pay Equity Act?

HON. A. MACKLING: I am given to understand that, not to our knowledge, has any private sector employer confirmed to the Pay Equity Bureau that they have launched a Pay Equity Program. There are a number of employers, private firms, who, pursuant to a development agreement with the province, have committed themselves to pay equity implementation. I am advised that one school board has indicated that they are proceeding with the pay equity implementation.

MR. J. McCRAE: Mr. Chairman, I don't want to take much time on the school board issue, but how would that work in a school division? Does this relate the pay of non-teaching people to teaching people? Is that what that would do? Because as I understand it, teachers already have pay equity, do they not?

HON. A. MACKLING: Well, one would look at the entire school division's staff, whether they be caretakers, secretaries, clerical, whatever, then establish the classifications that would be subject to pay equity and then proceed on that basis.

MR. J. McCRAE: I just have one other question and it doesn't really have anything to do with pay equity.

MR. CHAIRMAN: Item No. 2.(k)(1)—pass; 2.(k)(2)—pass.

Revert back to Appropriation No. 1.(a) Minister's Salary - the Member for Brandon West.

MR. J. McCRAE: I just have one question, Mr. Chairman.

Does the Minister propose to bring forward any other legislation in this Session?

HON. A. MACKLING: That will be announced in due course.

MR. J. McRAE: It's the first day of June. I thought we might even know that by now.

Did I hear the Minister correctly, that his legislation will be announced in due course? Is that what he said?

HON. A. MACKLING: If there is legislation coming forward, it will be announced in due course.

MR. J. McRAE: Mr. Chairman . . .

MR. CHAIRMAN: Excuse me, I have two resolutions to pass, please.

Resolution No. 108: Resolved that there be granted to Her Majesty a sum not exceeding \$8,393,600 for Labour, Labour, for the fiscal year ending the 31st day of March, 1988—pass.

Resolution No. 107: Resolved that there be granted to Her Majesty a sum not exceeding 1,453,300 for Labour, Administration and Finance, for the fiscal year ending the 31st day of March, 1988—pass.

Committee rise.

SUPPLY - URBAN AFFAIRS

MR. CHAIRMAN, C. Santos: Committee, please come to order.

This section of the Committee of Supply will be dealing with the Estimates of the Department of Urban Affairs. We shall begin with a statement from the Honourable Minister responsible for the department.

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

I am pleased to be involved in the Estimates again. It's been less than a year, I believe - I think mid-August last year we dealt with these Estimates in the prior year. As the members are aware, the responsibilities of the Department of Urban Affairs deal with the . . .

A MEMBER: I hope you're better this year.

HON. G. DOER: Well, I don't think I will be actually - (Interjection)- They're all in Labour tonight. It's just Jim and I.

The department, of course, deals with the legislation and the amendments to The City of Winnipeg Act. We're already on our second bill this Session and reviewing the total overview that is anticipated in the White Paper. We are involved in the Core Area Agreement as one of the three partners, and we are involved in the North Portage Development Corporation, the ARC Development. Further we're involved in grants to the City of Winnipeg, both operating and capital, and have been involved on an ongoing basis with the City of Winnipeg, dealing with the property reassessment after some 25 years.

Further, the department deals with intergovernment relations and the official delegation with the City of Winnipeg, a meeting of which is set up for June. There was one meeting cancelled this year, or we weren't able to schedule in the middle of the assessment period. Further the province, through Urban Affairs, has some share of responsibilities for planning.

Over the last year, Winnipeg continues to be the major economic centre of the province and this Provincial Government, and we were pleased with statistics. I

haven't seen the recent statistics, Mr. Chairman, but we were pleased in the goal of economic development that Winnipeg continued to be, through the majority of the last year, having the second-lowest unemployment rate in Canada, only behind the City of Toronto, which we think is positive but there's still obviously room for improvement.

The second Core has been signed in October of '86, and we are now in the process of proceeding with the implementing jurisdictions in all program areas. It's somewhat behind the schedule we would have liked, Mr. Chairman, and I say that to the members. Some of the approvals were just made last week at City Hall. However, we are on track on many of those programs that have been approved by the three levels of government.

Portage Place in North Portage will open in September of '87. It is on schedule and of course One Canada Place, the Investors Building, also will be opening as part of that development.

We are involved in the redevelopment of the CNR East Yards, and we are again pushing vigorously for public involvement in the vision of the East Yards. The politicians have had a go at it; the officials have had a go at it; consultants have had a go at it. Now it's time for the public to express their vision of the East Yards in terms of that historic site.

We are winding down the art program, Mr. Chairman. I would like to frankly see another art program in this province. I still think there's lots of room to improve our riverbank development out of this federal-provincial project. We have of course river programs within the Core and within the Department of Urban Affairs.

The implementation of the '87 assessment took place in the City of Winnipeg, not without controversy, Mr. Chairman. I've said before and I'll say it again, I'm sure there were mistakes made throughout that whole process, but we hope that the measures in Bill 57 and the other measures that were dealt with in phasing in and the extended appeal period that was debated and passed in this House by all parties will be positive for the citizens of Winnipeg with the reassessment process. We still look forward to the completion of a full assessment in the province under the Department of Municipal Affairs, and all the measures we took in the last couple of years, as are noted, are interim measures to deal with getting the whole province up to speed in this area.

We have continued to increase our financial support to the City of Winnipeg during challenging times in the province, Mr. Chairman. It isn't the highest increase in this country but, by all means, it certainly wasn't the lowest increase in this country as well in terms of support to municipalities and certainly in terms of Western Canada. In terms of the other two prairie provinces, we were very, very positive and fair in respect to the contributions of other provinces in Western Canada.

We have issued a paper rewriting The City of Winnipeg Act, a White Paper which we hope will form the basis of debate for purposes of The City of Winnipeg Act and the rewrite of that act. It is to some degree outdated. We have placed that item on the agenda with City Council, and we'll be discussing it in mid-June with the officials from City Council. We did proceed with a couple of measures of the White Paper, Mr. Chairman,

specifically the independent Boundaries Commission and also the BIZ legislation that was proposed originally by the City of Winnipeg in 1985.

We have pieces of minor legislation consistent with that philosophy and, during the '87-88 year, we hope to complete the negotiations for the Urban Capital Projects Agreement and get that \$90 million agreement signed and away. It's again on the agenda in mid-June. We hope to complete the whole rewrite of The City of Winnipeg Act. We hope to be able to implement the programs under the Core Area Initiative.

We are working with the city to attempt to establish a Winnipeg Rivers Authority, and we still invite the Federal Government to be involved in that. We think the tri-level kind of format is a good one.

We are beginning the work on the East Yard development as one of the three partners and quite frankly, Mr. Chairman, although Urban Affairs is not the lead department in this area - the Department of Environment is - I think all Winnipeggers would like to see the Shoal Lake issue resolved. I'm sure past Ministers have stated this for the last six years. Obviously, the two bands are important to us in terms of their development. In addition, the potential mining and potential logging is a concern to the Department of Urban Affairs and, as I say, we're not the lead department on this issue. The Department of Environment is. We certainly think it's in the best interests of Winnipeggers and the communities affected on Shoal Lake to get this issue resolved.

So, Mr. Chairman, those are briefly some of the comments I would like to make on Urban Affairs. I look forward to the comments from members of this House while considering these Estimates.

MR. CHAIRMAN: In accordance with established procedures and traditions of this House, we shall now hear the customary reply by the Opposition critic.

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

I thank the Minister for his statement and his comments about what's anticipated in terms of the function of the Department of Urban Affairs for the coming year.

The Minister has had a year on the job, so to speak, or a little better than a year now, I guess, on the job, and he's recognized some of the needs required by urban Winnipeg. Some of them have been pushed by us, such as the appeal period for assessment. Certainly, the concern and the fear out there amongst the citizenry of Winnipeg was that they did not know what was going to happen with respect to reassessment and with respect to their taxes. They were given the comfort of at least having that appeal period extended. I think that's important and I thank the Minister for recognizing the need for that particular legislation.

We recognize the need as well for some additional categories of differential mill rates, which again serve to mitigate some of the tax increases that were going to be implemented against businesspeople, condominiums - you name it - in terms of taxpayers of the City of Winnipeg. Those differential mill rates, I think, have again mitigated against the kinds of large increases that were going to be potentially levied against those persons in the city.

Unfortunately, the Minister did not recognize the need for dealing with large lot residential properties in the periphery of the city, those less than five acres in size, where many of them were faced with increases of between 18 and 35 times their land assessment. And there's still a major concern there that, even though these properties are not serviced, they're still paying an inordinate amount of tax.

The Mayor indicated, at the time public hearings were held on the previous City of Winnipeg Act bill, that the tax was not related directly to services but rather levied over the whole community, regardless of the level of service that they enjoyed which on the one hand is difficult, but on the other hand is faced with a situation that they aren't getting the services. Why should they be expected to pay for things like the transit deficit where they have no transit service? I mean, that kind of a situation created some hardship and some heartburn for the people who lived in those particular areas.

The other thing it prompted was a call from the citizens of Headingley to look at opting out of the City of Winnipeg. A petition was filed by myself, on behalf of those Headingley residents, in the House and presented to both the Minister of Urban and the Minister of Municipal Affairs, requesting that a study be undertaken to determine what are the cost-benefits and what are the pros and cons of the community of Headingley, as recommended by the City of Winnipeg Act Review Committee, of their opting out of the City of Winnipeg.

Now that in itself, I suppose, is not that serious. It simply looks at the question of whether they should or shouldn't be opting out and what the costs would be, what the benefits would be to the residents of that area. But I think the action alone is a condemnation of this government, condemnation in the sense that here's a government who implemented The City of Winnipeg Act. Not this particular government but this particular party implemented the City of Winnipeg Act back in 1971, amalgamated all of the area municipalities together, included Headingley, into an urban function that it was never oriented to be in. And I think a condemnation now that they've been unable over 15 or 18 years to make it work. That unfortunately the government - the Urban Affairs Department in particular - have been unable to satisfy and to create the balance between the people of Headingley and their rural basic servicing, their rural outlook on things versus their inclusion in the urban fabric of the City of Winnipeg.

The only thing that the citizens of Headingley really got out of unicity was quite frankly, cheaper telephone rates. They were taken off the long distance exchange and put into the City of Winnipeg exchange district. But that's happening today all around the periphery. There are many areas outside the City of Winnipeg even who are now benefiting from urban telephone service, as opposed to being on a rural exchange and requiring long distance calls to connect into Winnipeg.

But I think, Mr. Chairman, that kind of failure by the government to make that work, I think, needs to be addressed; needs to be addressed quickly. I don't think we can afford to wait for a long period of time, and to try and slough off any question of that study. I think the study has to be undertaken immediately. I think it has to be dealt with quickly, effectively, to present that

information before those citizens of Manitoba and to let them then decide whether they want to pursue the action of opting out. There will be a multitude of problems created by such an action and those will have to be addressed as well. But I think it's important that the government at least addresses it quickly so that those people at least have an opportunity to pursue one course of action or another.

Mr. Chairman, the primary function in terms of expenditure of this department is the financing of the City of Winnipeg to provide grants to carry out a number of activities in the city. But there's been, unfortunately, a continuing lack of, I think, understanding of major municipal problems. We've had stop-gap measures; we've had a flurry of activity with respect to assessment; we've had some consideration of additional funding for grants, and if you look at the press release that comes out from the government, it says in great huge letters: Terrific, the Province is really giving additional money to the City of Winnipeg, an increase of \$2 million or \$3 million in terms of grants. Mr. Chairman, when you look at the budget, when you look at how that impacts on the City of Winnipeg the net is practically zero. Not even an inflationary factor, Mr. Chairman.

But I think there's also been a failure to really address in any significant way the whole question of infrastructure in the City of Winnipeg. Unfortunately - and Manitoba's not alone, Mr. Chairman, I must say that, that there are problems right across North America with respect to urban infrastructure. But we have to deal with that particular problem in a more objective way than has happened up to this time.

We have an investment of hundreds of millions of dollars of services paid for by our fathers and our forefathers and so on. Mr. Chairman, we cannot afford to let that evaporate in light of restraint or in light of other policy programs or so on. We have to find - and I know that we'll get the lecture from members opposite about spend, spend, spend, and where will you get the money and the increased deficit and so on.

But the fact of the matter is that I think some of the priorities may be wrong. (Interjection)- in terms of what I think about, well I'd be happy to do that. The Member for Rossmere says, show us. If he'd be happy to resign along with the rest of his government, I'm sure we'd be very happy to show them exactly how it should be done, and how proper priorities should be implemented in this province, not only that, we'd reduce the deficit in the process, Mr. Chairman.

We've had all kinds of bureaucrats and consultants and department officials and everything else to analyze these particular problems. The time for analysis is past. The problems are very well known. What is needed now is a political will. The political will from the province, the political will from the city to address that major infrastructure problem, and try and work out a long-term program, in order to address it in a meaningful way - not just with a handful of dollars, in terms of the problem.

That's really what this \$15 or so million a year in capital grants, it really doesn't even begin to touch the bottom of the barrel, when you're dealing with this kind of a problem. There needs to be a meaningful action take place, but the political will so far hasn't been demonstrated. I would hope that the Minister, in recognizing those kinds of problems, would be able to

convince his colleagues that some additional funding should be reallocated in order to address those very, very significant problems that are facing the City of Winnipeg.

During last year's Budget, there was a suggestion that a municipal infrastructure program for rural Manitoba was in the works and was going to be implemented. So far, I don't believe it's surfaced but that kind of recognition, I think, should be made in addition to the City of Winnipeg. Its municipal infrastructure problems are even more horrendous than those in rural Manitoba because of the greater amount of services in place in the city.

As well, Mr. Chairman, we haven't really seen - we've seen some money put toward maintenance of some existing infrastructure projects in the city, but we haven't seen anything directed or even any indication of any direction towards new transportation projects other than an \$800,000 study toward the Kildonan Bridge project.

We have a very great need in the City of Winnipeg to face that particular problem. You need only get in your automobile and drive out onto the streets of Winnipeg, to know there's a major transportation problem in the City of Winnipeg. With a very limited amount of construction going on in the City of Winnipeg, it's virtually tied up the entire transportation system in the city.

Some relatively little work, in the overall scheme of need certainly, has caused major, major traffic snarls throughout the City of Winnipeg, and there's a major cost attached to that, not just in terms of capital dollars, but in terms of cost to the motoring public, both the private citizen, the businessman, the transportation of goods and so on. The fuel consumption, the cost of repairs to automobiles, all of those things present a very serious and a very massive cost to the citizens of this province.

Now admittedly, the province probably has a conflict in this kind of a situation. I mean, the more fuel consumption that takes place, the more tax revenue the Minister of Finance gets, and therefore maybe you should cause some more problems to occur, and therefore, boost the revenues and reduce the deficit and/or boost the spending without increasing the deficit. But those kinds of conflicts, if they are in fact there, are just one other problem that the motoring public is facing.

But the funding, in terms of provincial funding to expenditure in the City of Winnipeg, has been dropping continually since 1983. In 1983 there was an 11.3 percentage proportion of provincial funding; in 1984 it dropped to 10.7 percent; 1985 it dropped to 8 percent; in 1986 it was 8.-something percent, slightly more; and projected for 1987 is at 7.8 percent. So you've had a continual erosion of the provincial funding as it relates to the city's expenditures.

We've had all kinds of sermons from members opposite, Mr. Chairman, with regard to tax reform. Now this was the Premier who stood on many occasions and said this is the primary focus of the government, it's tax reform. Well, that primary focus has shifted more and more and more taxation onto the backs of the property taxpayers in the City of Winnipeg as well as elsewhere in the province. Now, Mr. Chairman, that's been recognized across North America as the most

regressive form of tax that there is. Now, if that's tax reform from the members opposite, Mr. Chairman, I wonder what the analysis the government has given toward that particular measure.

But, Mr. Chairman, we need major initiatives, major initiatives regarding sewage treatment, solid waste disposal and, most important, our water supply. The Minister alluded to the question of the Shoal Lake water supply in his opening remarks and, Mr. Chairman, that should be the most paramount issue facing everybody associated with the City of Winnipeg today. That is the single most serious issue that has ever faced the City of Winnipeg and it is one that has been dragging on for close to six years. There has been basically no action taking place, there have been no initiatives, yet that cloud, that threat, is hanging over the heads of the 600,000 people of the city.

We've had blackmail-type threats from representatives of the band; the Honourable Mr. Chretien indicating that if action wasn't coming forward that he would take certain other precipitous action. But there's still no major action. The Minister has indicated he's not the lead Minister in this situation. Well, if he is the Minister of Urban Affairs, perhaps this department is not the lead Minister, but quite frankly as the Minister of Urban Affairs it is clearly in my view his major responsibility to coordinate and to spearhead that action. It is his responsibility to make certain that action takes place, that leadership is shown, that we have some kind of indication of where this whole matter is going.

During the Estimates debate last year, we had a very lengthy discussion with regard to Shoal Lake and where the whole question of the water supply was going. Mr. Chairman, the Minister indicated there were initiatives, there were policy positions that the government had taken, yet to date nothing has happened. We've seen relatively nothing, no major initiatives appear to have come from the government in this regard. We've seen them claim that the Federal Government has backed out and we spend all kinds of time, Mr. Chairman, feebashing with regard to this particular thing, but no leadership from the Minister, no leadership from the government, no indication of how this matter can be resolved.

Our leader has indicated one possibility and raised that in question period some weeks ago with respect to this matter. There was one initiative that so far has received no attention at all as far as I am aware of. We can tinker around with small internal problems, but we cannot seem to deal with this very, very significant issue, one that I'm sure is on the minds of most, if not all of the citizens of Winnipeg, as to what effect development with respect to the band. We'll hear no doubt, Mr. Chairman, that this matter is really in the federal jurisdiction. While direct involvement with the band is in the federal jurisdiction, Mr. Chairman, leadership can be shown in many other ways. The Minister could be meeting with his colleagues and the Minister in Ottawa suggesting alternatives.

We can see, Mr. Chairman, negotiations with the Province of Ontario to mitigate and/or try and prevent any major activity taking place within the appropriate watershed of Indian Bay to ensure that, for instance, gold mines or other processing activities or logging or other potentially environmental damaging activities do

not take place sufficient that they would affect the water supply of the City of Winnipeg.

Since 1918 or 1919, when the water supply opened, Mr. Chairman, and that water has been flowing to the City of Winnipeg, we have been faced with - blessed, not faced - we have been blessed with a water supply that is second to none in North America. We are in fact the envy of most major urban centres in North America, yet at the same time, when you go to Vancouver and you see that their water supply, not unlike ours in terms of fresh water being ducted into Vancouver, has a special act protecting it. The entire area is fenced; there are no persons permitted inside the periphery of that particular watershed to allow them to get anywhere near potentially polluting the water.

That's the kind of action that needs to be taken. That kind of action I think can be done. The land surrounding the Indian reserve is in fact provincial Crown lands. Mr. Chairman, we need to see some action from the Minister of Urban Affairs; we need to see some action from the Minister of the Environment. We have had tabled in the Legislature in the last few days a new environment act with great chest-thumping and praise upon themselves about this is the leading environment act in the country, and we are going to be first, this is going to be the best possible legislation to come forward and, Mr. Chairman, you know, not one word was mentioned about the City of Winnipeg water supply in that bill.

It would have been very simple. Put it in the bill, "No action can take place," and I'm not suggesting a particular wording, but the principle is that no action can take place that would pollute the City of Winnipeg's water supply. That would have been very simple, indeed. So we can see that there are a number of areas that the Minister has a possibility of providing some leadership, of showing some leadership. I would hope that with respect to this most important issue that the Minister will, among his other duties as the Minister of Crown Investments and other duties that require him to wear a cape, Mr. Chairman, that at least he would find some time to direct toward this most significant problem. If he does nothing else but resolve this particular problem, Mr. Chairman, I think that he will have done well for an entire term in office.

MR. CHAIRMAN: At this point in time we wish to invite the administrative staff of the department to take their respective places.

Deferring budget Item No. 1, relating to the Minister's Salary as the last item for consideration by the committee, we shall begin consideration of the budget of the Department of Urban Affairs by starting with Item No. 1.(b)(1) Administration and Finance, Executive Support: Salaries; 1.(b)(2) Other Expenditures.

The Honourable Minister of Urban Affairs.

HON. G. DOER: Just briefly, I think that Shoal Lake is too important to not discuss briefly at this point, and I'm sure we'll discuss it later on.

Before I do that, though, I don't want to leave any false impressions in this House or anywhere else, in terms of the urban infrastructure. I do not see massive amounts of money . . .

POINT OF ORDER

MRS. G. HAMMOND: On a point of order, Mr. Chairman.

MR. CHAIRMAN: A point of order being raised.

MRS. G. HAMMOND: Mr. Chairman, I don't believe it's been the practice of the House for an answer to the answer to the answer to continue and that the critic usually gets to start asking questions, otherwise this could go on all night and we'd never really get into Estimates.

MR. CHAIRMAN: The member has a point of order. The Chair is inclined to agree because otherwise there will be no ending to the answer and counter-answer and counter-answer.

But item No. 1.(b)(1) usually is given certain leeway and there is some flexibility in the rule of strict relevance that is required by Rule No. 64.(2) "Speeches in a Committee of the Whole House must be strictly relevant to the item or clause under discussion."

By practice, we have allowed some flexibility when we are discussing Executive Support and Salaries.

The Honourable Member for Charleswood.

MR. J. ERNST: Thank you, Mr. Chairman, if we're now dealing with administrative costs, that section of the Estimates, I note that the increase in administrative costs this year is 9.2 percent, inflation is running about 4 percent. Last year the department had a 23 percent increase in administrative costs, so over two years, they've had some 32 percent increase with inflation running at or near about 7 percent. Mr. Chairman, I wonder if the Minister can give us an indication of why such a massive increase in administrative costs in this department is necessary, particularly since the members sitting at the table there, told me they didn't get a raise.

HON. G. DOER: The major reason for the increase is the fact that there is full year costs for a staff year that was vacant last year, as opposed to partial money for the fiscal year. I should say, though, Mr. Chairman, that that position is still vacant and we may utilize the position for some term time for purposes of the City of Winnipeg rewrite of the act this year. We're still evaluating the workload in terms of being able to accomplish that.

There has been no increase in the authorized staff years in that area, and the only reason why there was an increase in budget money from the year before was, of course, the establishment as a separate ministry. The majority of those costs are still within this budget expenditure in Urban Affairs, although the Minister's Salary has been divided between the Crown Investments Department and this department; so there's no reclassifications, there's no raises beyond the negotiated settlement that took place, and there are some individuals that get the normal increments and there are others that do not.

MR. J. ERNST: Mr. Chairman, page 10 of the Supplementary Information indicates, I think, maybe what the Minister was alluding to. It says there was a \$29,000 increase in salary provisions for a full-time

position in respect to Communications I believe. Is that basically the position?

HON. G. DOER: Yes, Mr. Chairman, that position used to be and has been established in the Department of Urban Affairs, Communication Administrative Officer. The position has been vacant last year, and remains vacant this year and I do not intend on filling it this year at all except maybe to use it for specific administrative, and it has also administrative officer. There may be some funds there available for the No. 1 priority of the department. That would be the rewrite of The City of Winnipeg Act. Last year I believe we even lapsed a few of the dollars that were in there if I'm not mistaken and didn't spend it. We won't use it or spend it if we don't need it.

MR. J. ERNST: Mr. Chairman, if in fact \$29,000 represents the unfunded portion of the year, what would be the salary of that position?

HON. G. DOER: Mr. Chairman, \$37,800 per annum.

MR. J. ERNST: Just on a clarification. So the Minister then is capable of taking a position in the budget as one type of position and using the money for other types of employment within the department?

HON. G. DOER: Mr. Chairman, one could have a term position for that particular function. The priority I would have, and would state to the House, would be the Communications-Administrative Officer position. It was filled formerly by an individual who's now working for the Department of Education. And the priority as I would see it this year, the administrative officer position is broad, sometimes they can be used financially, sometimes they can be used for a more specific task and anything that one would do though, would have to be approved by the Civil Service Commission.

MR. J. ERNST: Mr. Chairman, can the Minister advise if there's a policy in place that if a position is vacant for a certain period of time it automatically lapses within the complement of the department. I know that during my tenure at the city we implemented a policy similar to that where if a position was unfilled for more than two years that it would automatically lapse and that you had to fight any new position following that all over again based upon the criteria that are necessary for new positions.

HON. G. DOER: Yes, Mr. Chairman, there's no question that over a period of time, well every year, if the money lapses you have to redefine that position and certainly if there is no function for it this year, and the money lapses it wouldn't be required to be pulled, I would recommend it be pulled.

MR. J. ERNST: If there are no further questions from any other members, Mr. Chairman, I'm prepared to pass this section.

MR. CHAIRMAN: 1.(b)(1) Executive Support: Salaries—pass; 1.(b)(2) Other Expenditures—pass; 1.(c)(1) Administrative and Financial Services: Salaries; 1.(c)(2) Other Expenditures—pass.

Item No. 2. Financial Assistance to the City of Winnipeg, 2.(a) Current Programs Grant; 2.(b) Transit Operating Grant; 2.(c) General Support Grant - the Member for Charleswood.

MR. J. ERNST: Mr. Chairman, as is indicated in my opening remarks in response to the Minister, there is indicated a \$2.2 million increase in support for '87-88. Under normal conditions, Mr. Chairman, that would be I think reasonably well received. It looks good. It's about a 5 percent increase year over year. It might even tie into the Throne Speech platitudes that we had about significant help for the City of Winnipeg to maintain its position as a major city in Canada, and all of those fine and wonderful words that were contained in that address.

But, Mr. Chairman, we have to look at what they took away in the process of the Budget, because it's equally as applicable, not only the increase of \$2.2 million, but also what's taken away as far as the Minister of Finance in his recent Budget and tax grab. Mr. Chairman, they took away \$1.5 million in increased sales tax from the City of Winnipeg; they took \$100,000 in diesel fuel tax; they took \$2 million in increased payroll tax; and they took \$0.5 million in increased steeltighting requirements to go to the portion of the City of Winnipeg outside of the old city boundaries which is served by Manitoba Hydro - so a total of \$4.1 million taken away. So, Mr. Chairman, we have a significant shortfall.

Now I anticipated that, if the government is to hold true to its earlier promise, payroll tax costs would be rebated to the City of Winnipeg. Then the city could anticipate another \$2.1 million in grants over and above the \$2.2 million indicated, which would really put them into a break-even position more or less, give or take \$100,000, with no adjustment for inflation, with what becomes really a shell game. On the one hand, we'll give you this; on the other hand, we'll take it away.

Now we had a situation that occurred last year with respect to an increased grant. On the other hand, they increased the water power rental rates which came back to the province in another way. Now we've had a statement made by the Minister, I believe some weeks ago - I believe it's even included in the City of Winnipeg tax bills that go out - that the province has significantly cushioned the blow to the City of Winnipeg by reducing water power rental rates, but what they didn't say is that they implemented a 4.9 percent increase in hydro rates to pay for it - so again, another shell game. On the one hand, we'll give it to you; and on the other hand, we'll take it away. So who is kidding whom? I think in the final analysis, one of these days, the people of Winnipeg are going to wake up and recognize the shell game for what it is.

As I indicated earlier, we have a press release that indicates how great we are. We're giving you all this additional support for the City of Winnipeg. Mr. Chairman, as I outlined earlier again, the decline in revenue support for the City of Winnipeg over the past five years has been slowly eroding away, despite the fact that the City of Winnipeg has been able to maintain budget increases at or near the inflation rate over every one of those years. So the city has attempted to control its spending, has done a reasonably good job at controlling its spending, unlike the Provincial

Government, but they have addressed the fact that inflation is ongoing and needs to be compensated for, the fact that there is growth internally in the city which extends services, requires more miles of bus service, snow plowing, police patrols, fire service, ambulance service and all of those kinds of things. Yet, they have still managed to control their overall rate of expenditure to well within the area of inflation but still we have this constant erosion of provincial support taken away, as a matter of fact, dropping '87 over '86 from 8.1 percent to 7.8 percent. That 7.8 percent was calculated before the Budget was introduced and the analysis done on the question of the additional taxation measures causing more cost to the City of Winnipeg.

So I would hope, Mr. Chairman, that the Minister can respond that he will in fact understand the situation and that he will perhaps be able to do something about that kind of a situation, given another year coming by, and that, in the fiscal year 1988 at least, the City of Winnipeg can perhaps benefit to a somewhat greater extent.

HON. G. DOER: Mr. Chairman, with the greatest of respect, you're dead wrong on the Budget effect on the City of Winnipeg. Even their own elected representatives pointed out it was a net gain for them. When one is to look at the whole area of the transfer of tax assistance, it went up 12.5 percent to the City of Winnipeg. When one is to look at the issue of the Hydro rates plus the flattening of the water power rental rate versus the diesel fuel and other sales tax components, that was a wash on their own analysis.

So in fact my recollection - and I haven't got the figures here - but my recollection is that they were ahead \$1.6 million out of the Budget, notwithstanding the fact that the operating grant went up in the City of Winnipeg 3 percent. The urban capital commitment went up significantly, part of the \$90 million, the cash flow was less. The Transit Grant, of course, reflects the projected deficit and obviously the deficit went down last year with the decrease in fuel tax.

Mr. Chairman, the federal Budget affected the City of Winnipeg as well and there was nothing to offset it, and there was no change. So the net effect and the results of an increase, Mr. Chairman, in the provision for a general support grant of some \$2.3 million, which of course deals with the health and post-secondary education levy indirectly, not directly, in terms of the City of Winnipeg.

So the comments made by the city officials were that they were ahead after the Budget. They weren't happy about it. They'd like to be ahead more and I respect that, but the net effect was (a) they were ahead in the Budget, and (b) they were ahead in the grants to the City of Winnipeg.

Mr. Chairman, I have said publicly, and you mentioned the press release, that we feel that the grants were not elaborate. They weren't the end of the world. We called them fair and reasonable. They weren't the highest grants in this country, and I've said that before and I'll say it again.

Mr. Chairman, we should make it perfectly clear, I do not anticipate lots of money being available in terms of urban financing when one considers the priority of the government, in my estimation, will have to be

agricultural and the agricultural crisis; (2) is health and the double inflation costs of health just to keep even; and (3) the whole demands on the education system.

So there's no question in my mind, and I wouldn't want to look at this Urban Affairs budget in a linear way and not deal with some of the other issues of financing. I see this department, in terms of overall services to the public which, of course, is 60 percent in Winnipeg, coming behind issues like health that are rising at a much, much higher rate than some of the other costs that are reflected in our own government departments that can be maintained at inflation or below inflation.

Other prairie provinces are wrestling with these issues, Mr. Chairman. Other prairie provinces are strangling the municipalities, frozen, zero dollars for capital now in the Province of Saskatchewan, a decrease in the tax transfer, elimination of some of the property tax rebates. They have to deal with their own problems; we have to deal with our problems in Manitoba.

We are not, as I say, the most flush province in terms of funding to the City of Winnipeg, but we feel the grants to the City of Winnipeg are fair and reasonable. But, Mr. Chairman, the priorities will continue to be agriculture, health and education in terms of collective decisions on the revenues.

But I'm not ashamed of a 12 percent increase in the tax transfer to the city; I'm not ashamed of a 3 percent increase in the operating grant; I'm not ashamed of the fact that the Budget did in fact give them \$1.6 million extra than before the Budget. But obviously, there are needs in the city. There's no question the urban infrastructure, which we'll deal later with in the capital projects, is a legitimate concern.

MR. J. ERNST: Mr. Chairman, the whole question of whether the City of Winnipeg came out ahead after the Budget - the Minister indicated 12 percent in tax transfers. That's got precious little to do with the Minister at all. The fact of the matter is that money is allocated by percentage, 1 percent, Mr. Chairman, on the personal income tax and 2 percent on the corporate tax and, whether the Minister projects one number or another number, what will be paid will be the actuals on those numbers. It's got nothing to do with the benevolence of the government or not. They don't have any choice as to whether that money is transferred. There is an act in place that says that money is transferred to municipalities in the Province of Manitoba. So, Mr. Chairman, this is not the great benevolence that the Minister of Urban Affairs is bestowing a further sum of money in the City of Winnipeg. If the analysis done by the Finance people is such that those dollars, Mr. Chairman, are due and payable to municipalities, then that's the way it is.

Now, I suppose they could change the whole plan if they wanted, but the fact of the matter traditionally, since about 1973 or 1974, is that plan has been in place for 15 years or so. So I don't think, Mr. Chairman, because . . .

SOME HONOURABLE MEMBERS: Oh, oh!

A MEMBER: Order please, order please.

MR. CHAIRMAN: Let's have some order here.

MR. J. ERNST: I don't think, Mr. Chairman, that the government can claim something that's been in force for 15 years as an additional benefit in order to balance the give and take of the Budget and the grant system in order to determine that they're more beneficial to the City of Winnipeg than one over another. So, Mr. Chairman, I have some concern, but the Minister indicates that municipalities are being strangled in other western provinces.

Well let me give an example. In 1985 - that's the last year that we've had figures - the Province of Manitoba provided to the City of Winnipeg, in total, grants of \$77.8 million. Mr. Chairman, the City of Calgary in the same year received \$127 million from the Province of Alberta; and the City of Edmonton, \$106 million of support from their provincial governments so that, Mr. Chairman, admittedly there are two main cities there, but, even so, there is some 25-30 percent more funding in 1985 than was provided by the City of Winnipeg. So it doesn't look, quite frankly, that to cities of similar size and similar makeup and similar kinds of services, Mr. Chairman, that certainly doesn't look very strangled to me in terms of those kinds of grants compared to what the Province of Manitoba is strangling the City of Winnipeg with.

HON. G. DOER: The actual payment in '85-86 - not the City of Winnipeg figures in terms of what they got, because there are a number of places where the city gets their money - there was \$92 million in '85-86 from all the areas of government funding versus \$55 million in 1980-81. Mr. Chairman, the member mentions the whole are of giving more. I did state that I saw Urban Affairs, quite frankly, behind Agriculture, behind Health and behind Education in terms of the priorities of what this government should be. Obviously those are the areas of highest need and will get the most money, and that does affect the citizens of Winnipeg. They get their services through the municipal government, the city government, and they also obtain their services through departments, such as the Department of Health, that provides services. So it's dealing with really a pig in a poke when one talks about what Winnipeg gets because it gets billions of dollars through other departments of government, some of which, Mr. Chairman, I feel, should be higher on a priority list, quite frankly, than Urban Affairs and I say that with all honesty in this House.

The fact was mentioned about the tax transfer. The tax transfer was calculated to be \$800,000 additional this year, Mr. Chairman, and in fact it was literally 2.6 extra. So by the city's own calculations, 12.5, and that money has been frozen in Alberta and Saskatchewan in terms of tax transfers and decrease by legislation. So, yes, one could say it's already an existing program, but Mr. Chairman, as the agricultural crisis takes place in other places, literally everything in terms of Provincial Government spending has been on the table including urban funding, urban capital and 1985 figures - with the greatest of respect - I'll compare '87 figures with Saskatchewan any day of the week.

MR. J. ERNST: Well, Mr. Chairman, if that's the case in the other Provinces of Saskatchewan and Alberta,

then let this Provincial Government put some money on the table for agriculture, something they haven't done up to this point; something they haven't even come close to doing with respect to Alberta or Saskatchewan. So you can't have it both ways. We heard about that last Session . . .

A MEMBER: You can't have it both ways.

MR. J. ERNST: That's right, you can't.

You can't claim on the one hand that your lack of support for urban municipalities, Mr. Chairman, is as a result of priorities for agriculture and other matters when in fact you aren't putting the money into agriculture in the first place.

Mr. Chairman, the result of this lack of initiative and lack of consideration of urban problems and urban concerns in the City of Winnipeg has resulted in Winnipeg becoming the highest, if not the second highest, taxed city in the country.

Notwithstanding you look at the kind of property taxation that takes place in Alberta, that takes place in Saskatchewan, is nowhere near the kind of concern that we have here in the City of Winnipeg. And again, the most regressive form of taxation from a government who preaches tax reform keeps preaching it and gives great platitudes about how the whole tax system needs to change, yet they keep loading regressive taxation dollar after dollar, tens of thousands of dollars after tens of thousands, upon the backs of property taxpayers not just in Winnipeg but right across the whole province. That from the government, quite frankly, it sounds pretty hypocritical to me.

Mr. Chairman if there are no further questions with regard to the Financial Assistance portion of the budget, I'm prepared to pass it.

MR. CHAIRMAN: Item No. 2.(a) Current Programs Grant—pass; 2.(b) Transit Operating Grant—pass; 2.(c) General Support Grant—pass.

Resolution No. 137: Resolved that there be granted to Her Majesty, a sum not exceeding \$41,000,000 for Urban Affairs, Financial Assistance to the City of Winnipeg, for the fiscal year ending the 31st day of March, 1988—pass.

Item No. 3.(a) Urban Policy Co-ordination, Salaries; 3.(b) Other Expenditures; 3.(c)(1) Canada-Manitoba Winnipeg Core Area Agreement: Payments to Other Implementing Jurisdictions; 3.(c)(2) Payments to Other Provincial Departments - the Member for Charleswood.

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

I had written the Minister prior to the Estimates process requiring some information and unfortunately, I guess, we got our signals crossed, or else he decided not to provide me detailed information with respect to the \$157,300 of Other Expenditures indicated in the Estimates. Can the Minister now provide a detailed information sheet on that expenditure?

HON. G. DOER: Mr. Chairman, yes. I haven't got a copy of the letter, but I know we received it May 25, with the greatest respect. We were kind of rushing to get it to you as early as possible. Of course, the figure of \$157,300 is the same as last year; there is no increase

in that expenditure. The specifics that we had budgeted in that area are: \$50,000 for the Senior Transportation Service; \$12,000 for Project Drive. It's a program that the city and the province have jointly cost-shared dealing with transportation of health persons at the clinic. The \$13,000 is grants to other agencies and potential research; the \$75,000 is for potential other grants and specifically money set aside for work related - specifically to the rewrite of The City of Winnipeg Act which will be a major undertaking this year and potentially we'll obviously use legislative draftspeople and other individuals, but we may need extra help this year. Rather than having them on a full-time basis in the department, we see it as a one-time only task.

Last year, I believe, there was \$150,000 and that was slightly higher for the Senior Transportation Service grant. I think that the STS program, we're evaluating all the - and you're fully aware of them, the various projects. They are very popular in their own area. In fact, even the Member for St. Norbert wrote me. I did point out that the vote was against this amount of money last year, but I did get letters even from our MLA's and your members opposite MLA's in terms of the value of that particular transportation service. That's roughly the breakdown for the \$157,000.00.

Last year there was one clinic - if we didn't have some money in this area, it would have gone down. It was an area that the city and the province got together to keep it going in terms of the Project Drive. It's probably one of the most cost effective transportation systems of the city; even Handi-Transit I think is running close to \$20 a ride which is one of the areas we're evaluating.

The Project Drive, interestingly enough, out of the Project Clinic, is operating at about \$8 a ride with bringing people into keeping them at their homes rather than having them in health care institutions and transporting them back and forth to the Public Health Clinic. I think it's got a lot of merit in terms of broader implications, not just transportation, but more so even in health care.

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

There was a \$50,000 expenditure approved in 1986-87 by O/C for money to the Logan Community Committee, presumably out of this fund. Can the Minister advise if that is correct?

HON. G. DOER: Yes, last year there was a grant of \$50,000 to the Logan Community Clinic; this year there is no money in the Estimates for the Logan Community Clinic. Last year, when we sent the money, which was a previous commitment - in fact the commitment was slightly higher, we decreased it - I indicated at that time that would be the last grant from the last fiscal year. So in this budget year, there is no money set aside for the Logan Community Clinic.

MR. J. ERNST: If I understand correctly, the Logan Community Committee which was the community organization that dealt with Logan Woods, which we've threshed to death over the years, now it's finished, kaput, and Mrs. Sholdice is no longer on the payroll and that's the end of it, is that my understanding?

HON. G. DOER: The intent of the funding to the Community Committee was to get the group and some

of the facilities into the community's hands, and in the long run it was the intent, and we followed through on it this year, they would have to raise their own money. I don't know whether the individual you've described is on any payroll or not, but there won't be any grant money from the Department of Urban Affairs. It's the intent to have that community operate on its own merit and raise its own funds.

MR. J. ERNST: Mr. Chairman, I don't want to belabour any particular point, but has there ever been an analysis done of the effect of the monies spent in the Logan Community Committee which is going on for four or five years, I think at least? It's my understanding in that north Logan residential district that the money initially - the community committee that was there to preserve their neighbourhood, that they didn't want to be turfed out of their homes, they wanted to stay there, they wanted to live in that area, they liked it, and it was terrible that the Core Area Initiative should even think about demolishing the entire district in order to create an urban industrial park.

The last information that I had, Mr. Chairman, and perhaps the Minister has some further information, was that I believe out of all of the families who were originally composing the Logan Community Committee, only three were left, and the chairperson of that particular committee had indeed moved out of the district as well. Perhaps the Minister can further enlighten me in that regard.

HON. G. DOER: The No. 3 is wrong, I remember checking that out, and it was much higher. The individual chairperson, I'm not sure of that individual. There's been various appraisals of how much it costs per home. It's much less when you add up all the total costs. I think that the success or failure of Logan will be more of a longer term kind of issue. The funding has been cut off now in terms of the Department of Urban Affairs; the housing projects have now been completed. The Core Area Office, I believe, is continuing to track the success of that area. I know you have strongly-held views yourself. I think one can debate whether there was merit in proceeding the way one did. One can debate it the other way. The bottom line is I think, over time, if many of the residents stay there and it's a healthy residential area and the cost has not been too prohibitive for the public sector - there's an industrial site now operating across the way with the glove company or the building's being completed - (Interjection)- it's a glove company that makes blue jeans - I think it will be a success.

But I think it will take about five years further to really evaluate; the jury should be out for about another five years, but the Core Area is continuing to monitor that development.

MR. J. ERNST: I thank the Minister for that answer. It would be interesting to do an analysis some day - when your fellows have nothing else to do, which is probably most of the time, they can go and check and see who still lives there and who doesn't. I think it would be a very revealing statistic.

In any event, Mr. Chairman, if we can push on, I'd like to discuss briefly the major principles contained in the White Paper the Minister tabled some time earlier.

Presumably this is the output of the department for the past year and after having reviewed The City of Winnipeg Act Review Committee Report, I'd like to determine some further background information and further thoughts from the Minister on the question of the major principles contained in that White Paper, which falls under Urban Policy Co-ordination, Mr. Chairman, in case you were wondering whether we were off the subject or not. So we're not.

In any event, the first of the major principles, Mr. Chairman, that were listed in the White Paper is that the city should have an expanded degree of autonomy in determining its own administrative structure. Can the Minister indicate whether, following that principle, or how would he see that further autonomy being implemented with respect to the City of Winnipeg?

HON. G. DOER: Mr. Chairman, I've had some debate with legal counsel in terms of the Constitution. I find it absurd, and I'm sure the member opposite finds it absurd that many of the, basically administrative matters that are in the act, have to come to the province for purposes of amendment or repeal or whatever. Lawn, boulevard cutting, dog licence fees, dog licence fees for senior citizens for a discount, street vendors, the provision of a two-thirds vote by City Council for cemetery land, and larger issues, Mr. Chairman - I'm just mentioning some of the ones that are in the legislation before the House this Session, larger ones dealing with the Chief Commissioner having to do XY and Z. I don't think the Federal Government should tell us what our Cabinet should be doing. I don't think we should be prescribing a legislation of what exactly the Chief Commissioner should be doing.

If the city would like that individual to be responsible on an overall basis and have other individuals assigned for budget and legal and whatever else, that's their decision, and the public should hold them accountable for it.

So those are the administrative issues that I would see and we will be working with in the act. I've got legal advice saying that what I'm suggesting is going to be more difficult to do than what I think we will do. I know that you think it should be a three-page act, The City of Winnipeg Act. Maybe somewhere in between we will have an act. I don't think the province should be dealing with administrative matters of a very operational nature in the City of Winnipeg, and I've tried to expedite all the legislation they've proposed to me, of an administrative nature, as quickly as possible.

I think there's been a huge backlog of administrative matters. We've tried to move those in the last two Sessions. There's still some, I'm sure, that we have to deal with in the next writing of the act, but personally those are the kinds of things that range from the very, very minute to the role of the Chief Commissioner, for example. Some people would consider that to be of greater significance.

MR. J. ERNST: I thank the Minister for that answer. So it's not just administrative structure, but it's in fact procedures, application of services and any number of other kinds of related matters of an administrative nature that are included under this recommendation,

if I understand the Minister correctly. I tend to concur that that's a desirable way to proceed.

The thirty or forty pages of administrative, technical amendments to The City of Winnipeg Act that have been sitting on the desk for God knows how many years, Mr. Chairman, if the Minister's expectations are realized, they likely will become redundant in any event. If you're able to reduce the wording, the terminology, the you may and you may not, sections of the act, then I think a great many of those administrative and technical problems that arose over a period of time when an attempt to do something was tried and found wanting in terms of the act, everything has to be specified - I hope that the Minister is able to convince the legal beagles in this area that in fact a much reduced version of that act is possible. Not forgetting of course the fact that we don't want to open those permissive areas to challenge in the courts because they don't have the protection of a provincial statute.

I think that's an overriding concern that has to be taken into consideration, that nothing is going to be achieved if in fact the simple lines, permissive in nature in the act, say that the city may, by by-law, do these number of things when in fact if we're going to be faced with a court challenge on every one of those things and have the whole legal system tied up and an enormous cost attached to trying to run through the court system every by-law that is presented, Mr. Chairman, I think we'd run into a horrendous problem; and it may not be solved by reducing the verbiage of the act down to a more reasonable area.

I know in the U.S. they're constantly faced with those kinds of challenges in the court systems and it protracts the ability of municipal government to carry out its programs and it just creates enormous delays in municipal programs throughout that country. So that I would hope that somewhere between the three-page act and the ability of the province to protect those by-laws in some form of a statutory nature, we can result in an act that is both workable; easy to follow; and doesn't require every little matter to be prescribed, Mr. Chairman, yet will allow the city to carry out its function without fear of challenge in the courts.

Perhaps the Minister can comment just on the legal aspects of the matter and what he's been able to determine up to this point.

HON. G. DOER: There's a strong legal thought and I'm trying to work out a way to deal with it. The constitutional legislation, unlike the federal-provincial agreements between a federal and provincial government, the analogy between what the feds have as constitutional rights and the provinces have as constitutional rights, is different when one looks at the provinces powers, vis-a-vis the city. It is a much more subservient legal position and therefore the laws of the province must be prescriptive in many places rather than being silent or not there at all.

What we're looking at is having a number of those sections which would just make sense to be part of the City of Winnipeg, and having clauses that enable them to do by by-law those things, rather than having to come to us by legislative amendment.

But obviously we will require further legal work on this matter because we don't want to pass a law that

makes sense to us in a pragmatic sense, but is thrown out, because as you know, lawyers will challenge anything we do in the act, particularly where City Council appears to be taking power that someone, a citizen would argue that they don't have properly delegated to them.

MR. J. ERNST: We certainly don't want to provide a retirement fund for Michael Mercury.- (Interjection)- We may well have done that as well, but we don't need to enhance it certainly if at all possible.

The second major principle contained in the White Paper, Mr. Chairman, deals with . . . The city should be given the clear responsibility for planning and zoning matters, which are primarily local in nature. These powers, of course, must be exercised in a way that's consistent with the sound, overall planning framework to the entire urban region.

Perhaps the Minister can expand on that matter. There seemed to be a couple of areas of conflict. On the one hand, the city should be given more responsibility for planning and zoning matters. Yet on the other hand, the great hand of the Provincial Government tends to fall in these areas on areas of planning where the Provincial Government should see, or desires to see direction going. So perhaps the Minister can expand on that.

HON. G. DOER: I think the whole area of planning is an area that is articulated in this White Paper, but requires a lot more work and discussion with the City of Winnipeg. This is the one area, Mr. Chairman, that we do have a commitment from the City of Winnipeg from their committee, their appropriate committee and other senior city officials, to get a position on the record and to present to the province. We expect that, the last time I discussed it with the city, mid-June.

We do believe that City Council should have the responsibility for local matters. We also believe in the idea of having the community committees involved in areas that affect them directly, subject of course to appropriate land use policies totally adopted by council, where local plans are approved by council and are in effect.

The whole area of the long arm of the province - we have tried to approach that whole issue, and it runs through a couple of these other principles. We've tried to approach it honestly this time so that we can start the debate off in a less confrontative and more creative environment. We have stated in this paper, later on, that the sprawl issue is not just something that's germane to the City of Winnipeg itself. It is also germane in part to some of the areas outside of the City of Winnipeg, both the additional zone which we're recommending to abolish, and the municipalities just additional to the additional zone, particularly.

The Minister of Municipal Affairs and I have had very good discussions on this and we will continue to have it, because I think we have to have consistent policies inside the City of Winnipeg in terms of where the city's jurisdiction interfaces with the province's jurisdiction, i.e., the green space and potential development outside of the major urban centre.

In a number of these planning issues, I do not believe that these are etched in stone. We're just merely putting

them on the table for consideration. I really do hope to start a very good creative process with the City of Winnipeg.

Almost every province, Mr. Chairman, has a provision that allows - and I think every province except Newfoundland. I don't know whether they have urban sprawl into the ocean, but every province has a provision that allows for provincial control of the obvious limit line. But it also provides a process that's fair between the two jurisdictions of government. Thirdly, in one of the areas that was lacking - and again one of the areas that's recommended in this paper - is that the citizens who have public input at the City Council level also, if the province is going to disagree, be provided for public input at the provincial level through whatever body.

Now we rejected the idea of the municipal tribunal idea in the previous paper. We thought we shouldn't duplicate the fact that there is a Municipal Board. But we obviously must have public hearings at that level as well. I think it's very difficult for a Minister sitting in an office that has a public process going on at City Hall dealing with the city issues involved, to then deal with the provincial issues behind a ministerial door, so to speak. So that's the other area that we want to resolve in this whole process with the city.

You've cautioned me before not to expect a position in terms of the City of Winnipeg in a number of these areas, and I agree we probably won't, the number of councillors, the power of the mayor, these kind of issues. But the issue of planning, I think we may get some items on the table from the city in mid-June, and I hope we can use that as a way of proceeding with our discussions with them on where our role begins and ends and where their role begins and ends.

I want to resolve that in a way that we can both work with it because, if we have a system that we can't work with, people, if they don't agree with the system, will try to sabotage it.

MR. J. ERNST: Mr. Chairman, the Minister has indicated that - and if we can try and maybe separate some of these things - this section deals with matters that are primarily local in nature in terms of planning.

What in his view is local in nature as opposed to something larger in dealing with the entire urban region? I understand that the province may want to have some overall planning authority in terms of perhaps a major development plan policy statement, something of that nature. What does he define as local in nature that would have, whether it would be 100 percent autonomy with respect to the City of Winnipeg?

HON. G. DOER: I don't see there'd be too great a difference from what it would be now. Just the basic land use in a particular area where they're planning for where schools would take place or community clubs or those kind of things, I would see obviously as of a local nature, except to the point where it obviously impacts on the province paying for 90 percent of it. It would be local in terms of where it goes from the best - you know, the city putting aside the land and planning for that land and planning for the parks base for a community. Obviously it would have to involve the province in terms of the capital costs, but those are the areas that I would see of a local nature.

The whole area of planning, as I say, we don't want to go too far down the road with this beyond the White Paper until we hear some of the feedback from the City of Winnipeg. This is one that I want to try to deal with, with that body as well.

MR. J. ERNST: Could the Minister advise if there is any anticipation in this area that would require a set of one or more formal plans? Presently under The City of Winnipeg Act there's a requirement for community plans or - I don't remember the names specifically any more because they kept changing over a period of time, but in effect there were action area plans, community plans, neighbourhood plans. You name it, there was a requirement, although not necessarily fulfilled to any great degree, there was still the requirement for all of these formal planning structures one upon another. Can the Minister advise if those formal planning structures are still anticipated? Not to suggest that there shouldn't be, for instance, a major overall development plan - I would concur with that. But the requirement for the internal area plans, community plans and things of that nature I thought were quite redundant in the overall scheme of things and I would hope that there's some doing away with that.

HON. G. DOER: If we can get the balance between a local plan, a plan of a local nature that affects the total city and a plan that affects the provincial concerns, streamlined all the way through this process, and I would be the first to admit, if you talk about citizen participation you've got to be a Philadelphia lawyer to understand some of it. If we can streamline and make it simple and make it easy for people to understand so they can participate in it and it's clearly spelled out - and that's why I want to work with the city - then I'm prepared to get rid of any obsolete planning instrument in The City of Winnipeg Act. I think it's very convoluted at places, so the balance would be citizen input, council control of the overall plan as they effect from one community to another, and the balance with the province in terms of the interface with the urban limit line and it's major implications with the problem.

I'd like to simplify the whole process, so the answer to your question is, there's all kinds of redundant planning processes in place that don't make sense for the city or anybody else; I'd like to get rid of them.

MR. J. ERNST: Well I'm pleased, Mr. Chairman, to hear that's the case. As I indicated, I could see an overall master planning document for the City of Winnipeg. I think that's a reasonable position and deals along the lines of Plan Winnipeg that is in place and indicates a general policy direction. On the other hand, I'm also pleased to see that there will not be an onerous requirement on neighbourhood planning schemes, however big you want to define the neighbourhood, anywhere from a few blocks to an entire community because those matters, Mr. Chairman, as the Minister may know, are very fluid. They change week to week, month to month, the demands, concerns. One particular project can make an enormous impact and change a whole direction in an area, can cause a whole different outlook of those particular communities and, Mr.

Chairman, to tie that into a basic planning structure and the formal processes that have gone on in the past, make it virtually impossible for, (a) the plan to get approved in the first place, and (b) to make any changes that would be in sufficiently meaningful time to allow opportunities to present themselves; particularly opportunities for development that may be highly desirable from the city's point of view, yet either creates some controversy locally, or involves them in a process that is too long and cumbersome to suit the needs of that particular developer. As a result, the project either evaporates or goes to another city, or something of that particular nature.

The Minister indicated a few minutes ago the proposals to abolish the additional zone. I think that was contained, if my memory serves me correctly, in the Act Review Report. I have some concerns with that. If you're going to do away with the additional zone, and it's been fragmented and bastardized somewhat up to this point, with allowing certain municipalities to opt out and others not to, but the concern I have is that it's the whole question of leap-frogging development that is, as I understand it, basically going to be put - if they are allowed to opt out or to have the additional zone abolished - into either a planning district or in their own hands, subject to a municipal plan approved by the appropriate Minister here.

I have some concerns, Mr. Chairman. On the one hand we see municipalities like Rosser, who are basically . . . Rosser and Macdonald are two good examples of saying, we don't really want any development, just go away and leave us alone, even though they are located right next to the City of Winnipeg. We have other municipalities like Springfield who have looked at either, at one point rapid growth, and another I suspect now, a little more controlled in terms of the growth that they want to see in their municipality. West St. Paul which has significant growth and of course East St. Paul which is virtually a suburb of Winnipeg, in terms of the kind of development that's taken place there.

But I have some concerns because the impact of those municipalities, generating no tax revenue for the City of Winnipeg, alternately generates an enormous amount of demand for service, demands for commercial services that are contained within the city; demand for recreational services in which they participate and partake; demand for a number of other municipal services, not the least of which are roads, transportation.

We talked earlier about transportation, the need for new transportation projects and the cost to the motoring public as a result of a lack of transportation projects. Wear and tear, major deterioration of structures, roads, you name it in the transportation system of the City of Winnipeg, comes in part, the amount of which I have no idea, but it does play a role in their deterioration, the traffic from outside the city; commuter traffic from those municipalities surrounding the city that are providing bedroom space, providing an alternate lifestyle, and I hesitate to use those words, given that the Bill 47 is around, but it's still an alternate lifestyle in terms of residential living in the periphery of the City of Winnipeg.

The kind of movement back and forth every day, commuter traffic, creates traffic jams, deterioration of

the roads, deterioration of the structures, any number of other problems that unfortunately must be addressed to 90 percent or 85 percent by the City of Winnipeg. They're not in a position of being able to fund those kinds of projects in a very great way, given that they've got all other kinds of problems to be faced with.

Hopefully there will be, if additional zone and the opportunity for the city to participate is no longer present, the province will exercise sufficient control over those municipalities to control, to a great extent, the kind of growth that has taken place over time and may well increase as a result of increasing pressures of taxation internally in the city, causing people to look outside as an opportunity to escape some of the taxation burden that they can't if they're resident inside the city limits.

So perhaps the Minister, Mr. Chairman, can give us some indication of what planning process would be put into place to deal with additional zone areas, and how they could be controlled so as to not have significant impacts on the City of Winnipeg taxpayer?

HON. G. DOER: Mr. Chairman, if you look at the White Paper, it also deals with the additional zones in conjunction with the whole area of - I think the next section of the paper is the whole area of suburban sprawl and the commuter shed of Winnipeg. So it's an area that's dealt with together in the latter part of the report.

There's no easy answer for the additional zones. We have four now that go before the City of Winnipeg Environment Committee, I believe, for their planning procedures, which is a hybrid situation, a very awkward situation. There is the argument that they enjoy the infrastructure of the City of Winnipeg and therefore should be part of the City of Winnipeg. There is also the argument that the individuals living in those areas provide commerce to the City of Winnipeg and, therefore, that's reflected in terms of employment and goods and services and the whole area of helping to generate economic growth in the City of Winnipeg which provides taxes.

You're right, there's a difference between East St. Paul and West St. Paul; there's a difference between Tache and Richot. I believe they're the four now that still go before the - (Interjection) - No, Springfield is under The Municipal Act, not under The City of Winnipeg Act, I believe.

I believe that we should have a vigorous process under the Department of Municipal Affairs for development in those areas. I think we should be very careful about developing these areas. I think we should be very careful about approving further development plans on those areas. I've discussed that with my colleague but I think, to have one elected group of local officials going before another group of local officials and then to the province or Urban Affairs rather than through the province or Municipal Affairs, is a better way to do it. There's no perfect answer to it, Mr. Chairman, there just isn't.

The City of Winnipeg Review Committee recommended, if I recall the recommendation, it was those things that are fundamentally urban be part of the City of Winnipeg and those things that are fundamentally rural be part of rural Manitoba, and they

didn't tell us what it was. They made some suggestions, but they weren't that helpful, in my opinion. I don't know how you feel about it, but I didn't think they were that helpful in terms of resolving that issue.

Then they decided to have a whole community of groups out there having this council of groups outside of Winnipeg, but not completely outside of Winnipeg. So I guess the near municipalities would be part of this committee that would meet and elect people and send people in, and I met with the additional zone. I have discussed this briefly with the City of Winnipeg, and we will be discussing it with the City of Winnipeg. That's why we didn't proceed this Session of the Legislature with it. I suspect they'll advance some of the arguments you've made. I'm trying to resolve it without making any unilateral decisions.

Ultimately, the public did make a decision to live in certain areas under certain conditions. Unless there are major factors to change that, I wouldn't see government unilateral action moving them by the change of a line into the City of Winnipeg when they thought they were going into West St. Paul. But it's not a perfect solution to it, there's no question about that.

MR. J. ERNST: The Minister indicated he had some discussions with the additional zone with regard to the planning process and potential for change. Could he tell me what some of the views of the municipalities were surrounding Winnipeg? Did they have some solution that would have had some beneficial - I can guess what their reaction would be but . . .

HON. G. DOER: Mr. Chairman, I met with them on three occasions and their advice, their feeling towards the city was somewhat emotional, if I could put it that way, basically consistent with the gesture you made. Not only do they want out of the City of Winnipeg and not have to go before the Environment Committee, they want out yesterday, and they want to be able to develop free of any provincial interference. I've told them that won't be part of the conditions. They think they should get more grants in lieu of taxes for some of the services the city has and, fourthly, they always raise the issue of the pollution potential, particularly in West St. Paul, with the treatment plant.

So when one separates the emotion from reality, they're opposed to being moved into the City of Winnipeg. The City of Winnipeg has another feeling, that they provide all the services and therefore they should be part of the city and they should be part of the tax base. So you've got - I hate to use the term "two solitudes" - but you've got two solitudes in terms of this issue.

MR. J. ERNST: Of course, those are not new arguments. They've been around for a long time, and I'm sure we've all experienced them over a period of time.

I would hope though that some reasonable resolution can be found in this area. I don't have any magic answers and I don't know that there are any, but certainly there has to be some accommodation found to deal with the pressures created on one area by another, principally to the city by the surrounding municipalities.

I suppose that argument was made back in 1970 and '69 when The City of Winnipeg Act was being brought into place, that in fact "St. James, Fort Garry and East Kildonan were creating pressures on the old City of Winnipeg." That was the reason for that precipitous action to take place. Hopefully during the process, the consultation process, both through the city, through the municipalities and, hopefully at some point, in our public hearings, somebody will have a better idea and we'll be able to reach a solution that will prove, even in the short term, to be acceptable.

I have one other concern with respect to the planning process, and that's the inclusion of community committees with final say on zoning matters. Anybody who has experienced the community committee process very often will understand that the community committee sometimes - in fact, very often - make decisions based, not on necessarily the best interests of the neighbourhood or best interests of the community or best interests of the city, but rather what's in the best interest politically.

If in fact, regardless of whether a project is good or bad, there's a large turnout and people are in opposition, the odds of it getting turned down are 99 out of 100, no matter how good the project is. Alternately, you can have a terrible project which, if no one shows up to protest, has that same 99 percent chance of coming into law because of the fact that there wasn't that outcry from the public.

There seems to be a proportion, a ratio as well, depending upon how close you are in an election, and it's an unfortunate but fact of life, an unfortunate situation, but a fact of life nonetheless. At least there is a tempering situation now. When it goes before a community committee - and I suppose it goes back to the accountability question again as to whether the local councillor is accountable - but I think for all of the applications that have gone on over a long period of time - that even if the community committee decides to turn down a matter, that cooler heads prevail, out of the line of fire so to speak, before either the community and environment or the Executive Policy Committee, or ultimately council for that matter, in dealing with those issues; and I wonder how well thought through this matter is.

On paper it looks great. The community committees can have final say on zoning the corner store or whatever list of items that's going to be assigned to that committee, but is that going to see either (a) no corner stores in one whole community or section of the city because one particular community committee - or for that matter a majority of that community committee - are opposed to corner stores, or alternately, a proliferation of corner stores because another community committee all of a sudden is in favour of these things 100 percent.

Will you see geographic wastelands created as a result of individual community committees over a period of time being either in favour or opposed to certain kinds of issues, when they don't have that overall responsibility, that overall view I guess, Mr. Chairman, of the City of Winnipeg? That's the major concern, one that I think all of us need to think through and think very seriously about it, because if those kinds of situations occur we can see in a very short period of time some major impacts fall on communities

throughout the city, and I think impacts that we may not necessarily want to see happen.

So I'd invite the Minister to comment.

HON. G. DOER: Mr. Chairman, I agree there are two sides probably to this issue.

The proposal is consistent with (a) having community committees involved for legitimate issues; and (b) they cannot be involved with the community. They have no say in terms of community committee decision-making unless it's first of all consistent with the Greater Winnipeg, or the plan for the City of Winnipeg in terms of the land-use policies, which would be adopted by City Council; and secondly, the local plans themselves, prior to any community committee involvement of this nature would have to be approved by City Council; and thirdly, if I can recall the paper correctly, there is an appeal procedure that would be set up by City Hall as well, with a City Hall committee.

So that's an attempt to get some of the balance between the issues of citywide issues versus community say; whether Charleswood would have stores on every corner and some other area would have no stores, I don't know. But I would hope that there would be some differences. There should be some differences in terms of how the citizens see their areas operating, but again this is an area that I know the Mayor has raised, councillors have raised.

We want to have a legitimate role for community committees, at the same time we recognize that City Council must maintain the overview and the overall thrust to where the land use policies are going in the city and must approve any local plan, so that was the attempt to get the marriage between the concerns you raised in terms of the overall thrust versus some of the local decision-making.

MR. J. ERNST: The other matter, Mr. Chairman, I had neglected to raise it earlier, is the question of a whipsaw effect that occurs - being an old labour man, the Minister, I'm sure, knows all about whipsaw effects - but you have a situation where presently under the kind of process that's in place now for zoning variances, for example, where community committees are the final authority unless it's appealed, one community committee will grant a particular kind of zoning variance and another will not. We have, on appeal then, people from one area of the city coming and saying, look, I'm from Transcona but my brother-in-law, who lives in Fort Garry, got this kind of a variance, how come I can't have it? The situations are identical or very close to identical, so we have that whipsaw effect that is created under the zoning variance appeal process, and that might not be a bad model to study in some depth to determine whether this question of zoning should be granted to community committees.

Having experienced for about 15 years the community committee process, I'm not so sure that there is a major, valid role for a community committee. On paper, it looks great, community input, access to the people, and all of those kinds of things. In practice, that's really not what happens. It's basically a reactive role by public. There are few people who have a genuine interest in coming out and dealing with all community issues in all kinds of ways; 99 percent of the people who appear

at community committees, by and large, are in a reactive role to some action that is going to take place which will directly affect their property or their service or whatever. That reactive role would occur, quite frankly, whether there was a community committee or not; it would occur on the basis of dealing with a standing committee or some other kind of committee formed of city officials. However, I suppose it's worth one more try in terms of the community committee process and I wouldn't want to stand in the way of that, but again, I'm not holding my breath that there's a major role to play.

Mr. Chairman, if we can proceed then to another of these principles. "The city should discharge its responsibilities from its own resources without having to rely unduly on operating subsidies from senior governments; the accountability for the municipal mill rate must rest with the elected Council of the City of Winnipeg; excessive dependency on provincial grants is inconsistent with this principle."

I'm wondering, Mr. Chairman, if this is an attempt to wean the City of Winnipeg from provincial grants. I can see that based upon the priorities indicated by the Minister earlier, based upon the kind of massive tax increases that have been levied on the people on this province, on the uncontrolled spending of the government and on its still growing substantial deficits, Mr. Chairman, that there is going to be no money or relatively little money for municipal and other expenditures throughout the province, but perhaps the Minister can allay my fears that this really doesn't mean what it says and that there will be continuing support for Municipal Government, given the fact that most of the, or a substantial portion, well in excess of half of all provincial revenues, is generated out of the City of Winnipeg.

So I invite the Minister to provide some provide on this section.

HON. G. DOER: Mr. Chairman, I think it's important to be very up front with the City of Winnipeg. I think it's important to say that there's not going to be, in my opinion - and I may be wrong - but there's not going to be a quantum change. There may be incremental changes in the grants to the City of Winnipeg, but there's not going to be quantum changes up in terms of the levels of support to the City of Winnipeg, I would suggest, from any Provincial Government. It wasn't certainly in our election promises. I recall not reading it in your two documents, I think, in the last election because I think you had other priorities. We had priorities, and we'll continue to have priorities, particularly since that election.

The agricultural issue's become much more serious with the subsidy issue, that we can't even predict where it's going, and I think that's important for our whole economy. Health - the projections for the next 5 to 10 years are very challenging, Mr. Chairman, in terms of the amount of money that we'll require from the provincial budget. Education continues to be a challenge, and then the whole area of employment. That's not to say, Mr. Chairman, that the City of Winnipeg citizens don't get back the money that they pay in taxes, back from the Provincial Government.

They get them back in the form of hospitals, in the form of day care, in the form of welfare, in the form

of employment creation, in the form of core, in the form of North Portage, in the form of grants to Urban Affairs. But I didn't want to leave any impression in the White Paper that would be false. I don't mind being attacked for the fact that there won't be a lot more, but I prefer that than an impression that there's going to be manna from heaven, literally, in the next number of years.

I would like to see us continue to work and it deals with the urban infrastructure. I would like to continue to work with the one-third dollar formula with the city, the province and the Federal Government. I think it's worked well in core; I think it's worked well in North Portage; I hope it will work well on the East Yard development. I thought the proposals that the member opposite proposed as with Mr. Harcourt, I believe, the NDP Leader in British Columbia, of the urban infrastructure proposal, was a very positive one. I'm working with my colleague, the Minister of Municipal Affairs; I think that is a way in which we can generate some capital with one-third dollars from all levels, in terms of the urban infrastructure.

But I think it's important to be honest in the White Paper with the city, and not fudge around the issue that there won't be a lot of money around. There may be, and I'm sure you'll be critical of that, but those are the facts. I just don't see any facts changing that unless we discover oil, and the price of oil goes up or all kinds of other things that we can't see.

There's some economic challenges and we will continue, I'm sure, to spend money on employment, and many of the those employment projects are in Winnipeg. In terms of jobs creation, we'll spend money in the whole area of health, education and agriculture outside of Winnipeg which helps some of the commerce in Winnipeg. But I don't see major grants coming to the City of Winnipeg. Now the other idea may happen is the whole area, if there was tax reform - I think the Auditor-General made a statement that some \$45 billion in this country was not recovered in taxation primarily off the first page of the income tax form. If one is to look at what Manitoba's share of that would be, it would be about \$2 billion, if you looked at the comparable funding - considering we have 4 percent of the market, maybe 1.5 - that could be a help when you talk of regressive versus progress of taxation.

Right now property tax is regressive in absolute terms, but in comparison to the existing system with all its loopholes, it may not be as aggressive as some other systems. I just thought it was important and to put in the White Paper the facts - and we've been criticized for those facts from the officials in the City of Winnipeg, but I don't see any radical change in the future funding of the City of Winnipeg. I see incremental changes but not radical shifts upward, because I just don't see where the money's going to come from vis-a-vis those other priorities in government. And I quite frankly believe that if members opposite were sitting around a Cabinet table dealing with money for health, money for education, money for agriculture, money for employment creation versus money for urban affairs, you may come to the same conclusions; but that's just the way I see it and that's the way we wrote it, just so we could be up front with the city.

MR. J. ERNST: Mr. Chairman, the Minister should be complimented on that particular asset, being upfront,

saying look, you aren't going to get the money and that's the basic story. If he'd stopped at that point, but in the paper of course there are a couple of things like, greater flexibility in the management of the business tax, which is a bunch of bologna. It's a bit of a camouflage situation here that you're trying to soften the blow, so to speak, spread a little honey on the toast, Mr. Chairman, discussing the use of existing and conditional program funds to assist in the rationalization of urban services, services like the portion of the social assistance payments that's borne by the City of Winnipeg, ambulance service, intercity health service, all of which have nothing to do with the municipal responsibility at all and have evolved over the years because of a lack of performance by the Provincial Government of all stripes.

Regardless, the evolution in the inner city health department, the evolution of ambulance service in the City of Winnipeg, came about solely because successive provincial governments have not dealt with issues that are their primary responsibility. So to suggest now, again, it's another shell game. We'll take away with one hand and in this case we'll take away both. But what the net effect is going to be, I think, Mr. Chairman, is another matter.

If you said, in rationalization of those services is a goal, period, and not suggested that the only unconditional funds that are provided to the City of Winnipeg are going to be taken away at the same time, then I think it might have fallen on a lot more fertile ground than it has with this kind of a statement. But I would hope perhaps that would change. Certainly rationalization of those services has been around for a long time. We went into the question of inner city health at some depth with the Minister of Health. There was a task force struck between Mr. David Henderson, Commissioner of the City, and Mr. Edwards, the Deputy Minister of Health to look at those kinds of situations and then all of a sudden the Minister of Health arbitrarily called the whole thing off and said, that's it, we're not dealing with it any more; an unfortunate circumstance, given all the work that had gone into it, and given the relative responsibility associated with that. So I would hope that those matters could now be resurrected again. There's no question in anybody's mind, I don't think, dealing in a common-sense matter, that ambulance services to health is a related service. There could be no question in anybody's mind that the ambulance aspect of health care is one that ought to be borne by the health care system and not by the property taxpayer in the City of Winnipeg or anywhere else for that matter. Ambulance service needs to be addressed on the basis of health care alone. So I would hope that those matters could be addressed, could be resolved without any major financial impact on the unconditional funds that the City of Winnipeg presently enjoys.

Do you want to comment in that area?

HON. G. DOER: Mr. Chairman, you're right. We did point out, honestly I thought, that we wouldn't be proceeding with a lot of major substantive changes in the funding to the City of Winnipeg. We have got some studies that we're still working on, Mr. Chairman, but the level of support from commercial and business

enterprises in Winnipeg is quite a bit less in this city than other cities of comparable size and commerce. So it will potentially provide some growth area for the City of Winnipeg with the streamlined system. I would like to check the numbers a little more fully to be more definitive on that area.

In the area of the rationalization of services, you've said it accurately. Successive governments have not changed dramatically the relationship between what services are delivered by what jurisdiction. It's like a European Health Spa, you know, the membership for life in terms of who delivers those services.

We're trying to move on the welfare area, and I've had discussions with our colleagues about the potential - and the decisions haven't been made - for moving in that area as it states in the White Paper. If we can start taking some of these issues one step at a time, perhaps we'll move closer to a more rational system of delivery of services between the province and the city, rather than coming to the wall and looking at how immense it is and just backing away, as has happened over the last 15 years.

MR. J. ERNST: Mr. Chairman, one of the next issues is, the province must remain responsible for providing a legislative framework within the City of Winnipeg. That's reasonably self-explanatory and I don't know that it needs a lot of debate. "The province would clarify and strengthen its strategic role with respect to policies and plans affecting the overall growth and development in the urban area."

I think, Mr. Chairman, here underlies one of the root problems of the planning process in the City of Winnipeg, where you have the overall development plan and the city and the province at odds with each other over what constitutes areas of growth and what should be or should not be done to accommodate growth as anticipated. A classic example of that was the question of south St. Vital during the Plan Winnipeg process. I think it became a philosophical issue versus a practical one.

In the case of the city, with which I was intimately familiar, in 1976 there was a policy direction taken that development would be restricted to areas of least cost as far as the City of Winnipeg's servicing ability was concerned. So policy direction taken as early as 1976 aimed development into the St. Vital-south St. Boniface area, because that was the least-cost area. That was where the sewage treatment plant was and that was the closest area to the City of Winnipeg's water supply and the Deacon Reservoir, new reservoirs that provide water into that area. There was no question that was, from a practical point of view, a policy direction taken very early on in the process.

Subsequently, the provincial Ministers of the day were faced with the philosophical argument about urban sprawl, and that philosophical argument related to the whole city. It didn't relate to individual districts, individual initiatives, policy directions or anything else. It related simply to a philosophical argument that the city shouldn't go beyond this limit, whatever that limit was, and that should apply to all areas of the city, not just in one or two or three areas.

So it was unfortunate that philosophical argument on the one hand tended to override the practical aspects

on the other. If in fact the province is going to exercise that control, which certainly it has the power to do, I would hope that there is some mechanism put in place that can override that, both the philosophical over the practical, particularly when there are decisions taken many years earlier to point direction in that area because of the fact it was the least-cost situation.

So I would hope that the Minister can assure me that there be some method of dealing with that particular kind of issue.

HON. G. DOER: There are a number of aspects to the development of a city. Obviously, the philosophical is one aspect of it, but there are pragmatic aspects to the development for the province to consider. The province must pay for the capital costs of the schools. The province must pay a great portion of the operating costs of schools. It has to pay for hospitals that are in demand when the suburban areas develop. It has to pay for a lot of services, so it's not just a philosophical issue.

In addition, Mr. Chairman, many of the impact studies and the cost-benefit analyses performed in terms of urban sprawl consist of providing sewer, water and roads, but don't consider some of the longer-term costs of increased operational expenses for purposes of maintenance, both summer and winter, which is very expensive; the increased amount of infrastructure necessary for a transit system; increased amount of goods and services necessary for an expanding city, particularly when you have areas within the city that are underdeveloped.

Now I think people should have some choice of where they're living. I don't think governments should plan in such a narrow way that people don't have opportunities to choose a style of development that is consistent with their longer-term goals.

A MEMBER: If they did, you wouldn't have a riding.

HON. G. DOER: Well, don't knock our riding.

Also, the cost to the city should be considered, all the costs of the city should be considered because it reflects later on in terms of the tax base and the tax

cost and the long-term pragmatic costs to the province in terms of capital costs to schools, in terms of development areas where other land is available where schools are virtually closing down.

So it's both a philosophical issue and a pragmatic issue. I think that the battles on both sides have probably been both philosophical and pragmatic, and both sides claim both sides of that issue. That's why I'm trying to develop a system with the city that will deal with: (a) consistency outside of the City of Winnipeg because, to me, it's inconsistent to have one set of preaching inside Winnipeg and another set of preaching outside of Winnipeg; and (b) to deal with the pragmatic growth of the city in an orderly way; and (c) when the province does intervene, which every province as I say except Newfoundland has the ability to do, that there has to be an ability - yes, you're right - a higher authority in terms of involvement of the province itself, the Minister of Urban Affairs certainly, but rather a public process through the Municipal Board, although it's appointed by the Government of the Day, but with the public having a right to be involved in that process.

That seems to be a system that works better than our system has in the last number of years in other provinces and I hope, again, I'm sure we'll get feedback from the City of Winnipeg. What happened, I was involved in the last stages of some of this debate and it was very counter-productive in terms of the long-term interests of the city, from both sides in my opinion, not just the province.

But I do believe that there is a legitimate two sides to this issue and hopefully we can get a process that accommodates both of those with the future act.

MR. J. ERNST: Committee rise.

MR. ACTING CHAIRMAN, Hon. B. Uruski: Call in the Speaker.

IN SESSION

MR. DEPUTY SPEAKER, C. Santos: The hour being now after ten o'clock, the House is now adjourned and stands adjourned until 1:30 p.m. tomorrow. (Tuesday)