



First Session - Thirty-Fifth Legislature
of the
Legislative Assembly of Manitoba

**DEBATES
and
PROCEEDINGS
(HANSARD)**

39 Elizabeth II

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Speaker*



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MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Fifth Legislature

Members, Constituencies and Political Affiliation

NAME	CONSTITUENCY	PARTY
ALCOCK, Reg	Osborne	Liberal
ASHTON, Steve	Thompson	NDP
BARRETT, Becky	Wellington	NDP
CARR, James	Crescentwood	Liberal
CARSTAIRS, Sharon	River Heights	Liberal
CERILLI, Marianne	Radisson	NDP
CHEEMA, Gulzar	The Maples	Liberal
CHOMIAK, Dave	Kildonan	NDP
CONNERY, Edward, Hon.	Portage la Prairie	PC
CUMMINGS, Glen, Hon.	St. Rose	PC
DACQUAY, Louise	Seine River	PC
DERKACH, Leonard, Hon.	Roblin-Russell	PC
DEWAR, Gregory	Selkirk	NDP
DOER, Gary	Concordia	NDP
DOWNEY, James, Hon.	Arthur-Virden	PC
DRIEDGER, Albert, Hon.	Steinbach	PC
DUCHARME, Gerry, Hon.	Riel	PC
EDWARDS, Paul	St. James	Liberal
ENNS, Harry, Hon.	Lakeside	PC
ERNST, Jim, Hon.	Charleswood	PC
EVANS, Cliff	Interlake	NDP
EVANS, Leonard S.	Brandon East	NDP
FILMON, Gary, Hon.	Tuxedo	PC
FINDLAY, Glen, Hon.	Springfield	PC
FRIESEN, Jean	Wolseley	NDP
GAUDRY, Neil	St. Boniface	Liberal
GILLESHAMMER, Harold, Hon.	Minnedosa	PC
HARPER, Elijah	Rupertsland	NDP
HELWER, Edward R.	Gimli	PC
HICKES, George	Point Douglas	NDP
LAMOUREUX, Kevin	Inkster	Liberal
LATHLIN, Oscar	The Pas	NDP
LAURENDEAU, Marcel	St. Norbert	PC
MALOWAY, Jim	Elmwood	NDP
MANNES, Clayton, Hon.	Morris	PC
MARTINDALE, Doug	Burrows	NDP
McALPINE, Gerry	Sturgeon Creek	PC
McCRAE, James, Hon.	Brandon West	PC
McINTOSH, Linda	Assiniboia	PC
MITCHELSON, Bonnie, Hon.	River East	PC
NEUFELD, Harold, Hon.	Rossmere	PC
ORCHARD, Donald, Hon.	Pembina	PC
PENNER, Jack, Hon.	Emerson	PC
PLOHMAN, John	Dauphin	NDP
PRAZNIK, Darren, Hon.	Lac du Bonnet	PC
REID, Daryl	Transcona	NDP
REIMER, Jack	Niakwa	PC
RENDER, Shirley	St. Vital	PC
ROCAN, Denis, Hon.	Gladstone	PC
ROSE, Bob	Turtle Mountain	PC
SANTOS, Conrad	Broadway	NDP
STEFANSON, Eric	Kirkfield Park	PC
STORIE, Jerry	Flin Flon	NDP
SVEINSON, Ben	La Verendrye	PC
VODREY, Rosemary	Fort Garry	PC
WASYLYCIA-LEIS, Judy	St. Johns	NDP
WOWCHUK, Rosann	Swan River	NDP

LEGISLATIVE ASSEMBLY OF MANITOBA

Tuesday, November 20, 1990

The House met at 1:30 p.m.

PRAYERS

ROUTINE PROCEEDINGS

PRESENTING REPORTS BY STANDING AND SPECIAL COMMITTEES

Mrs. Louise Dacquay (Chairman of Committees): Mr. Speaker, the Committee of Supply has adopted certain resolutions, directs me to report the same and asks leave to sit again.

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

Motion agreed to.

TABLING OF REPORTS

Hon. Clayton Manness (Minister of Finance): Mr. Speaker, I would like to table the Third Quarterly Report of the Manitoba Telephone System.

INTRODUCTION OF GUESTS

Mr. Speaker: Prior to Oral Questions, may I direct the attention of all Honourable Members to the loge to my left where we have with us this afternoon Mr. Gerard Janssen who is the MLA for Alberni from British Columbia.

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

Also with us this afternoon we have seated in the public gallery from the W. B. Lewis School forty Grade 5 students and they are under the direction of Leslie Wakeman. This school is located in the constituency of the Honourable Minister of Labour (Mr. Praznik).

Also this afternoon we have 10 visitors from the Red River Community College and the Trade Economy Institute of the Ukraine. They are under the direction of Mr. Boris Schulakewych.

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

ORAL QUESTION PERIOD

Senate Appointments New Brunswick Court Decision

Mr. Gary Doer (Leader of the Opposition): The GST of course has been attacked so it is probably the most unpopular tax ever proposed in this country. It is a tax that decreases the contribution for corporations in 1991 and increases the contributions considerably for people causing a loss of jobs and inflation and other impacts on the social services of the non-profit sector of our province.

The Tory Government has gambled in Ottawa, Mr. Speaker, with the Constitution of Canada in stacking the Senate. Today we have a decision from the courts in New Brunswick that this tax that nobody wants has been set in a state of complete chaos with the decision of the court in New Brunswick requiring to legalize the stacking of the Senate in an increased Member of Parliament in that province.

My question to the Premier is: Has he reviewed the decision of the court, the 20-page decision of the court? What action will his Government take to continue the fight against the GST in light of the chaos that Mulroney has created with both the stacking of the Senate and the other issues with the GST?

Hon. Gary Filmon (Premier): Mr. Speaker, the Member may know that I chair Treasury Board and it met all morning. No, I have not yet seen the judgment of the court.

* (1335)

Mr. Doer: Well, I dare say there will be no other item that would come before Treasury Board of \$200 million or \$300 million and thousands of jobs to Manitobans, Mr. Speaker.

Having said that—and I understand the Premier's responsibility—my question is to the Premier. The decision of the courts outlined that New Brunswick, in order to legalize the chaos in Ottawa and the GST, must get another Member of Parliament. Our constitutional advisors tell us that will require the consent—a constitutional amendment requiring the

consent of seven provinces and the federal Government.

Would the Premier commit himself today, as chair of the Premiers' group in Canada, to oppose the increase in Members of Parliament for New Brunswick and rather take the Prime Minister on against this insidious tax as proposed on Canadians?

Mr. Filmon: Mr. Speaker, without denigrating the advice of the Leader of the Opposition's constitutional advisers, that is a matter that obviously I will take a look at and see what the ramifications are and seek independent legal advice from the law officers of the Crown before I make any response to that question.

First Ministers' Meeting

Mr. Gary Doer (Leader of the Opposition): Mr. Speaker, about six weeks ago we asked this First Minister to get a legal opinion on the stacking of the Senate. So I would have assumed that he had already had one, not the issue of tax share in the province.

My further question to the Premier is: Given that inflation is 5 percent in Winnipeg as of last Friday; given that it is proposed to go up at least a percent and a half to two with the GST; given all analysis will tell us that thousands of jobs will be lost in this province; given the fact the Premier has stated that there is a vacuum in this country on leadership, will the Premier immediately call this week a First Ministers' meeting—as we did with codfish with the Premier of Newfoundland—to oppose from coast to coast the imposition of this tax and bring some sense of reality and practicality back into this country, rather than constitutional and parliamentary chaos, which we see from his federal cousins in Ottawa?

Hon. Gary Filmon (Premier): Mr. Speaker, as the Member may know from reading the newspaper, that was a matter I discussed with Premier Rae on Friday.

I of course called on the Prime Minister back in August after the annual Premiers' Conference here to get together a First Ministers' Conference on the economy. I repeated that call on the 12th of October and issued a news release at that time indicating that we were calling for a First Ministers' Conference on the economy because of all of the problems that we face with respect to the interest rates, with

respect to the value of the dollar that is destroying tens of thousands of jobs across the country, many of them in southern Ontario, and so on. I believe very strongly that there is a need for that.

At this point I am aware that a number of the Maritime Premiers are not in favour of doing it without the Prime Minister there. Their view is that most of the problems, most of the sources of solution to the problems in terms of economic policy are within the realm of the federal Government, and without the federal Government it is impossible to seek solutions to those problems. I am still committed to getting First Ministers together, and we will pursue that matter further to see whether or not there is a consensus to get together as soon as possible.

Energy Conservation Government's Position

Mr. George Hickes (Point Douglas): My question is to the Minister of Energy.

This morning this Minister admitted that Wuskwatim power project was being advanced six years because the Government energy conservation target is just over 2 percent, less than half that of the other provinces. Why is this Minister opposed to increasing energy conservation in this province?

Hon. Harold Neufeld (Minister of Energy and Mines): Mr. Speaker, I have never stated, I will not state and I will never state that I am opposed to energy conservation in this province or in any other province for that matter. We are in favour of conservation as a Government and as a utility but, Mr. Speaker, we have to set our targets in realistic terms so that we know we can meet them. If we are going to plan our next generation construction on the basis of conservation targets, we had better make certain that we can meet the targets that we set.

* (1340)

Mr. Hickes: This morning the chairman said that he would resign rather than increase conservation. Why does this Government want Wuskwatim built rather than increase conservation?

Mr. Neufeld: I have to take that the Member for Point Douglas is hard of hearing or he did not understand the answer. The chairman of Manitoba Hydro never said he would resign rather than accept conservation targets. The chairman of Manitoba

Hydro indicated that if he were directed by a committee of the Legislature to hit targets that were unrealistic, he would rather resign.

Minister's Role

Mr. George Hickes (Point Douglas): For what reason is this Minister opposing the role of the Legislature determining policy in setting energy conservation targets in Manitoba when B.C. has a target of over 5.9, Quebec is 5.6 and Ontario has a target of 6.7?

Hon. Harold Neufeld (Minister of Energy and Mines): Mr. Speaker, again I have to correct the Member for Point Douglas. I said from the start that we must set the policy but not the amount of the energy conservation. Hydro must come back to Government and tell them what they can reach in the way of targeting conservation. They must of course be able to convince Government that the targets they set are realistic and are achievable. They should not set targets that are not achievable and again, we should not set targets that are not achievable when we are basing our next generation of construction on the targets that we set.

Manitoba Environmental Council Operating Budget

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

The Manitoba Environment Council is a group whose primary purpose is to consult on important environmental issues and advise Government and, incidentally, has advised this Government most recently against the Conawapa project. We all know how dearly this Government needs that environmental advice. This Government has consistently painted itself as environmentally friendly, yet in a memo dated November 16 last Friday from Wayne Neily, chair of the council, to all council members—I am prepared to table a copy of that memo this morning—Mr. Neily states, and I quote, most important, perhaps, our operating budget for this year has been cut to about two-thirds of what it was last year.

Why has this Government cut the budget of the Manitoba Environmental Council by a third? How does this Minister square that with his daily rhetoric in this House?

Hon. Glen Cummings (Minister of Environment): Mr. Speaker, the same way that I square it with Mr.

Neily. He does not account for the fact that we give him free staff.

Mr. Edwards: In fact Mr. Neily does account for the fact that he is given staff, Mr. Speaker. The one-third cut is above and beyond that.

Why has this Minister in effect punished the Environmental Council for hosting a national conference this fall of Canadian environmental councils by reducing their operating budget this year by the \$10,000 cost of hosting that conference, especially and in particular in light of the fact that it was this Government's responsibility and turn to have that conference in any event?

Mr. Cummings: Mr. Speaker, I find it a little bit unusual that the dollars this organization agreed to spend for the hosting of this conference should not be somewhat in balance with the numbers that attended. This was a national conference, but we did not have a large cross section.

I have a requirement within my department to make sure that we make best use of our funds. If the implication is that the Environmental Council should have increased its funding above and beyond what it actually cost to operate that forum then I suggest that is a mistake in position.

Resource Recovery Institute Review

Mr. Paul Edwards (St. James): The Minister knows well the implication of the question. The implication is that it was their turn to host the conference, and the Manitoba Environmental Council for doing that for them had their operating budget decreased.

Mr. Speaker, my final question for the Minister is: The NDP tried to disband the Environmental Council in their tenure, and this Government is now trying to starve out that council as well as the Resource Recovery Institute. Can the Minister explain the contradiction in having two of his high ranking officials participate in a review of the Resource Recovery Institute, expected to be completed by the end of the year, while at the same time letting the Resource Recovery Institute to be wound up, including letting their building go as well as laying off all of their staff?

Hon. Glen Cummings (Minister of Environment): Mr. Speaker, the review of RRI operations has been undertaken between the province and the City of Winnipeg, both of whom provided some seed money to start up this pilot project.

The fact is that the audit team is being led by the City of Winnipeg. They have a responsibility here to make sure that the financial audit and the operations of this institute are viable and do have a sound business plan.

I am not sure what he refers to as high ranking officials, but the day that I acknowledge that I do not have a responsibility for expenditures in my department will be a sad day for the people of this province.

* (1345)

Resource Recovery Institute Correspondence Request

Ms. Marianne Cerilli (Radlsson): Mr. Speaker, my question is also for the Minister of Environment.

The Resource Recovery Institute is the most recent victim of this Government's practice of, hold back funds then blame the community agency.

The initial proposal for the blue-bag program shows that the planned expansion for the program beginning in March 1990 required \$100,000 from provincial money. Between March and October the Environment Minister or his department did not return calls or correspondence to clarify follow-through on this program.

Can the Minister table correspondence from this eight-month period and explain to the House his Government's backing out of the agreement with the Resource Recovery Institute?

Hon. Glen Cummings (Minister of Environment): Mr. Speaker, we receive a large number of calls in the Department of Environment, as I am sure a number of other departments do, requesting funds. We also receive a number of letters requesting funds.

In this particular case we received a request indicating that they required \$100,000 to operate without, in my opinion, very much substantiation. We indicated to them clearly at that time that they would receive something between \$30,000 and \$40,000 toward the program. Those funds flowed in November of this year, and to indicate that this somehow pulls back is entirely wrong.

The fact is that we have indicated, along with the City of Winnipeg, that we require this organization to make sure that they have a business plan and that they are in fact showing that they can operate in a financially sound manner. They expanded far

beyond what was the original concept of the pilot project.

Blue Bag Program

Ms. Marianne Cerilli (Radlsson): Mr. Speaker, to the same Minister, why did this Government not initiate an evaluation of the much demanded blue bag program rather than just letting the program end and not expand it as it was planned?

Hon. Glen Cummings (Minister of Environment): Mr. Speaker, when we met with the RRI in late October, the indication to them was that we wanted to work with them in order to help them develop a business plan and make adjustments to their program so they could hopefully return to a financially viable footing.

In contacts with my department, they have cancelled a meeting which was to be held just prior to the receipt of the letter that they were going to reduce their services. I note by today's media coverage that they are saying they intend to carry on in some areas. I am not sure where the funding is coming from, but that is exactly why we have questions to ask about their business plan.

Recycling Programs Government Initiatives

Ms. Marianne Cerilli (Radlsson): Mr. Speaker, since this Government is not capable of co-operating with recycling agencies, will the Minister commit to working with the City of Winnipeg this year to incorporate curbside recycling to a comprehensive garbage collection program for all of Winnipeg?

Hon. Glen Cummings (Minister of Environment): Mr. Speaker, I think it is fine and responsible of the Opposition to suggest solutions, but I think they should also consider the ramifications of their solutions.

I note that the Member for Wolseley (Ms. Friesen) earlier today had indicated that she felt we should have a province-wide curbsiding program. I see the call today for a city-wide curbsiding program. Perhaps they would be prepared to consider a request to the city that they make sure they provide ample funds within their budget to support that curbsiding.

I want to indicate that in the Ontario system it seems to me that we saw some editorial comment that indicates that in terms of at least 1 percentage

of the waste stream where there are some—in the beverage industry, for example, curbsiding only gets 20 percent of the product.

* (1350)

VIA Rail Northern Route Protection

Mr. Daryl Reid (Transcona): Mr. Speaker, my question is for the Minister of Highways and Transportation.

This Minister, who monitors the loss of VIA routes and jobs the way the Minister of Corporate Affairs monitors gas company profits, once again yesterday said that the remote routes were secure.

I will table today, Mr. Speaker, the submission by the VIA Chairman, Lawrence Hanigan, to the Royal Commission on National Passenger Transportation on November 16. For the benefit of the Minister, who has obviously not read this submission, I will quote from the brief—

Mr. Speaker: Order, please; order, please. The Honourable Member kindly put his question now, please.

Mr. Reid: More than 100 Manitobans will lose their jobs when the Conservative Governments cut the northern routes.

My question for the Minister is: What specific plans does this Government have that will assist these people and will the Minister table these plans today?

Hon. Albert Driedger (Minister of Highways and Transportation): Mr. Speaker, as I have said many times in this House before, I have a verbal commitment from the federal Minister of Transportation, who indicated that we had a five-year guarantee for services to remote communities. I stand by that and I expect that he will. I indicated yesterday as well and I will repeat again that we have already made contact with the federal Minister's office, the present Minister, to make sure that we can reconfirm that position.

Transportation Commission Manitoba Submission

Mr. Daryl Reid (Transcona): Two weeks ago this Minister told the House that the rail bus project had been dead for years.

Point of Order

Hon. Clayton Manness (Government House Leader): Mr. Speaker, it is certainly not for me to tell Members opposite how to prepare their questions. I have found out though that if you tend to write your questions out you want to include major portions of verbiage in your preamble. The rules say that there should be no preamble on supplementaries, and I ask the Member to be called to attention.

Mr. Steve Ashton (Opposition House Leader): On the same point of order, the Government House Leader is quite correct, but I think if he would allow the same leeway that he allows his fellow colleagues, his Ministers, in answering, who often realize after they begin an answer that perhaps they are breaking the rules in terms of tending toward debate.

I think in this particular case if he had given the Member the chance to phrase his question, I believe he was just about to do so.

Mr. Speaker: Order, please. I have recognized the Honourable Member for his supplementary question. A supplementary question does not require preamble. Would the Honourable Member kindly put his question now, please?

Mr. Reid: Mr. Speaker, since the Province of Manitoba had submitted a submission, will this -(interjection)-

Mr. Speaker: Order, please; order, please. The Honourable Member was just to put his question. He was just about to put it.

Mr. Reid: Mr. Speaker, my question is for the Minister of Highways and Transportation. I would like to know whether or not he has read the submission that was made on his behalf to the Royal Commission on National Passenger Transportation that was taking place going across this country.

Hon. Albert Driedger (Minister of Highways and Transportation): Yes.

Mr. Reid: I like precise answers, Mr. Speaker. For the same Minister, Mr. Speaker, if he did read his department's report—

Mr. Speaker: Question, please.

Mr. Reid: If he read his department's report, why does he not have a position on either the rail bus, the NTA decision to cut regulations concerning VIA

Rail, the VIA submission to the royal commission or the cuts to VIA service in Manitoba?

Mr. Driedger: Mr. Speaker, I submitted that report to the commission at that time. I also made copies available to this Member, and if the Member is willing we can go through the report together. We can establish exactly some of the points of concern that he has.

Public Schools Breakfast Programs

Mrs. Sharon Carstairs (Leader of the Second Opposition): Mr. Speaker, it was clear in the Estimates of the Department of Education why so many school divisions are having difficulty with funding. Funding formulas have not changed despite the new social services which school divisions have been increasingly asked to bear the burden of.

In this year of recession, school divisions are already talking about having to drop programs; we are concerned particularly about food and nutrition programs.

Can the Minister of Education tell this House what estimates his department has of the number of children who arrive at school each and every morning not having had breakfast, many having had inadequate dinners the night before because of the poverty being suffered by their families?

* (1355)

Hon. Leonard Derkach (Minister of Education and Training): Mr. Speaker, I can indicate to the Leader of the Third Party that the Department of Education and Training does not keep those kinds of statistics with regard to the precise number of students in each school division who may come to school without an adequate nutritious meal. I can indicate very clearly that school divisions, who have recognized that there are indeed problems in that area, have taken steps to address that situation by providing some form of nutritious snack for the children so that they can indeed function properly in the school system.

Mr. Speaker, as an Education Department we do not provide special funding for specific nutritious meals in our school system.

Mrs. Carstairs: Mr. Speaker, but in the Estimates process the Minister made reference to very expensive programs being provided by Winnipeg

School Division No. 1, who runs 30 of these programs.

Can the Minister tell the House today if he is making a recommendation to Winnipeg School Division No. 1 that they cut this expensive program, thereby the nutritional needs of the students?

Mr. Derkach: Mr. Speaker, I can indicate to the House that we have recognized some of the programs that indeed are over and above the normal programs that many school divisions have in this province by providing first of all a \$2 million grant on an annual basis to Winnipeg School Division No. 1. In addition, this year we provided an additional \$1.2 million to Winnipeg School Division No. 1 in recognition of the fact that there are special concerns within that division.

Winnipeg School Division Breakfast Programs

Mrs. Sharon Carstairs (Leader of the Second Opposition): Mr. Speaker, but the Minister also knows that if they took all of the additional money that Winnipeg 1 had to spend on special needs, it would leave them with \$268,000 for every other program this year.

Can the Minister affirm to this House that he will meet with Winnipeg School Division No. 1 and make sure that for this Government department the feeding of these children is an essential pedagogical need?

Hon. Leonard Derkach (Minister of Education and Training): Mr. Speaker, I have indicated time and time again that school divisions are going to have to look very carefully at their expenditures and indeed set priorities appropriately. I have already contacted the chairperson of the Winnipeg School Division to indicate my willingness to meet with the board and to discuss not only these kinds of issues, but indeed the many issues that face the school divisions and the many decisions, difficult decisions, that school divisions throughout this province are going to be required to make in the future.

Britcher Lumber Cutting Rights

Mr. John Plohma (Dauphin): Mr. Speaker, I have a question for the Minister of Natural Resources.

Bob Britcher has operated a lumbermill-sawmill in the Duck Mountain area for over 50 years, and during that time he has employed 20 to 30 people

on a permanent basis. He has managed the forest well, using a selective cutting method so there are always mature trees available for cutting.

Now he is faced with closure because he does not have any additional cutting rights or quota from this Government. I ask the Minister of Natural Resources whether he now will consider granting additional cutting rights to this individual so that he can once again operate and so that he is able to ensure that the 20 or 30 jobs that are so desperately needed in that rural area, the Parkland area of this province, are maintained.

Hon. Harry Enns (Minister of Natural Resources): Mr. Speaker, I know that the Honourable Member for Dauphin, who was once the Minister of Natural Resources, is extremely familiar with the situation of the Britcher logging operations in that area, and I need not repeat the history. He is well aware of it.

It should be pointed out that the Britcher family chose to sell their cutting rights some time ago. That has made the reallocation somewhat difficult. Nonetheless, I am certainly aware of the contribution they have made in that area and have asked my officials to meet with them, also in conjunction with the Repap people who have I believe an opportunity to work out some arrangement whereby additional cutting opportunities may be available for them.

* (1400)

Repap Manitoba Inc. Cutting Rights

Mr. John Plohman (Dauphin): Mr. Speaker, given that the Minister's staff have stated that they do not have jurisdiction any longer to administer the cutting rights in the Duck Mountain area, because this whole thing has been part of the massive giveaway to Repap, I ask the Minister, is it this Minister's policy that Repap should decide if anyone, if any of its competitors are granted cutting rights in the Duck Mountain area?

Hon. Harry Enns (Minister of Natural Resources): Mr. Speaker, I reject categorically that anything was given away to anybody. I also point out to the Honourable Member that the cutting rights of Repap are in fact no larger—in fact I believe somewhat smaller—than those that the previous Government operation had under Manfor.

It is important that independent loggers and cutters and operators come to a working relationship with us and with Repap, who do have cutting rights and overall management responsibilities in those areas. I am sure it can be done.

There are new players in the field, and I have certainly challenged my forestry people to take on their full responsibility in assisting people like the Britchers and other independents to continue their operations in that area.

Cutting Rights Renegotiation

Mr. John Plohman (Dauphin): Mr. Speaker, it is not only the size of the cutting area it is the road access and the prime forests that were given away to Repap under this deal.

I ask this Minister, as the custodian of the forests on behalf of this Government and on behalf of the people of this province will he now take the step and commit himself, his Government, to renegotiate the Repap deal and ensure that the forests of the Duck Mountain area are not included and are taken out of that cutting area that he gave away?

Hon. Harry Enns (Minister of Natural Resources): I ask the Honourable Member asking me that question that he along with his group and indeed all Manitobans encourage the eventual resolution and the passage of the environmental concerns with respect to Repap, that we can get on with the sustainable harvest, sustainable yield that our forests can produce for the sake of many, many people who are employed in the North and throughout Manitoba. That certainly is the most prudent use of those resources.

Canada Health Act Amendments

Ms. Judy Wasylycia-Lels (St. Johns): Mr. Speaker, I have a question for the Minister of Health.

There are a growing number of reports out of Ottawa that the federal Government is drafting amendments to the Canada Health Act. They are amendments that reduce the federal Government's powers to control standards for provincial health care programs receiving federal funds. Community groups and I think all Manitobans are concerned about this development, which accompanies rapidly declining of federal transfers to the provinces.

I would like to ask the Minister what he can tell us about this worrisome development. Has he been consulted? When did he last speak with his federal counterpart in Ottawa? What input has he had?

Hon. Donald Orchard (Minister of Health): Mr. Speaker, I believe my honourable friend in her preamble described the information she presented to this House as rumour, and as such I have absolutely nothing I can contribute to clarify, because I am neither aware of any rumours or their veracity. I certainly have not been privy to any consultation regarding such rumours out of the federal Government. I have absolutely no knowledge that I can offer to my honourable friend to confirm or deny the rumours that she brings to the House.

Ms. Wasylycia-Lels: Mr. Speaker, my reference to reports comes from a number of sources, but specifically the November 5 issue of a journal called Community Action where this item was specifically referenced and I believe should be taken seriously.

My question to the Minister of Health is: Will he take a pro-active position and send a strong message to Ottawa that Manitobans will not tolerate any dismantling of the Canada Health Care Act and will not be party to any attempt to reduce national standards in health care for all Canadians?

Mr. Orchard: Well, Mr. Speaker, I have absolutely no problem with the latter part of my honourable friend's question. For two years now, as part of the Council on Health Ministers of Canada with the provincial and territorial Ministers, we have attempted to have the federal Government participate, for instance, in establishing standards and guidelines on medical technology so that Canadians can be assured when their provinces and respective hospitals and institutions are lobbied to bring in the latest technology and health care that it has medical efficacy. In fact, we are urging the federal Government in areas such as that to bring in standards where none exist to protect the patients of Manitoba and Canada.

Ms. Wasylycia-Lels: My final question to the Minister of Health is: Can he give some assurances to this House that he will not and his Government will not tolerate any reduction in national standards as they now exist under the Canada Health Care Act? Will he do so by giving assurances to this House that this Government will not at any point

consider any form of user fees, deterrence fees, means tests or premiums?

Mr. Orchard: Mr. Speaker, to the first part of my honourable friend's question, I cannot make a presentation to Ottawa based on the rumours that may abound as to what Ottawa is doing. I can tell my honourable friend that, as I indicated in my second answer, we have urged the federal Government to be partners with the provinces in developing standards for technology.

In terms of the second part of my honourable friend's question, I have stated publicly in this House and I have stated in two successive election campaigns that we do not view the user fees that she proposes as being a solution to the health care system. I have said this consistently to professional organizations, to health care workers, to institutions which we fund, that before any consideration of new source revenue be given to the health care system that it is the responsibility of all funded agencies and groups to assure that the dollars they receive from the taxpayers of Manitoba are used to the greatest efficacy of patient care possible, and that means good management of health care—

Mr. Speaker: Order, please.

Child and Family Services Funding

Mr. Reg Alcock (Osborne): Mr. Speaker, on several occasions I have raised in this House concerns about cutbacks and the protection of children in this province because of inadequate funding by this Government.

Yesterday, Mr. Speaker, we had the grants list tabled, which shows indeed that funding has not gone up to 15 percent. The Premier (Mr. Filmon) and the Minister of Family Services keep saying it is, but in fact it is going up at a much lower rate.

I would like to ask the Minister of Family Services today what services he is suggesting that the Child and Family Services agencies cut back on in order to meet his budget targets.

Hon. Harold Gillshammer (Minister of Family Services): Mr. Speaker, when we tabled the grants list yesterday, the remarks that I made at that time were that the grants list alone could not be used to determine the increase in funding for agencies, that you also had to look at the per diems that were given to the agencies. We are on record yesterday as

suggesting that the Member look at the whole picture and not simply to grants. -(interjection)-

Mr. Speaker: Order, please; order, please. The Honourable Member for Osborne has the floor.

Mr. Alcock: I have indeed looked at the whole picture, and I have an analysis of the grants list he has tabled here. I would like to table it now. It suggests that Child and Family Services agencies on average are going to receive 3.75 percent increases this year for service and protection.

Will the Minister tell us if in his child maintenance grants or per diem rates there is a single dollar for the protection of children and the service of administration at those agencies.

* (1410)

Mr. Gilleshammer: Mr. Speaker, the primary function of these agencies that we give millions of dollars to is the protection of children; that is their bottom-line mandate.

Mr. Alcock: Mr. Speaker, the money that they have given those agencies to protect children has gone up by 3.75 percent, and that is after they have fiddled with the figures.

Will the Minister tell us how he expects these agencies to meet their obligations with this kind of increase when, for the same kinds of increases in costs, he gives himself a 13 percent increase in his own office expenditures?

Mr. Gilleshammer: Mr. Speaker, it is no surprise to this side of the House that the Finance Critic of the Liberal Party gets his figures wrong again. Yesterday he was quoted in the paper on some figures and they were inaccurate.

We have given the Child and Family Services agencies a substantial increase over the last five years. They are working well with our department to come up with service and funding agreements. We expect that those service and funding agreements will be in place in the not too distant future.

Dr. S.L. Bond Research Proposal

Mr. Jerry Storie (Flin Flon): Mr. Speaker, earlier in Question Period the First Minister reminded us that he is in fact chairman of Treasury Board.

My question is to the First Minister. Can the First Minister indicate whether he read and approved of a research proposal that was submitted to the Government in September of 1988 from S.L. Bond

for which the Government committed some \$205,800.00? Can the First Minister indicate whether he in fact approved of this particular research proposal?

Hon. Gary Filmon (Premier): Mr. Speaker, we are talking a couple of years ago. I would have to go back and check. I will take the question as notice.

Provincial Audit

Mr. Jerry Storie (Flin Flon): Mr. Speaker, my supplementary question is to the Minister of Industry, Trade and Tourism, who acknowledged that this study has filed no interim report and may be of very little value to the Province of Manitoba.

My question is to the Minister of Industry, Trade and Tourism.

Will the Minister undertake to advise the Provincial Auditor of the money that has been forwarded to this particular researcher and ask the Provincial Auditor to determine whether in fact the taxpayers of Manitoba got any value for this \$205,000 contract?

Hon. Jim Ernst (Minister of Industry, Trade and Tourism): Mr. Speaker, first of all, I did not say anything of the kind that it was of questionable value to the Government. The Government entered into this contract with the researcher from the University of Manitoba on the basis that information would be provided. When that report is tabled with the Government, we will analyze it. At that time we will make a judgment as to whether the amount of money expended on the contract was in fact worth it.

Mr. Storie: Mr. Speaker, I have the proposal with me, and my question is to the Minister of Industry, Trade and Tourism.

Given that one of the stipulations of the contract was that there would be reporting on a monthly basis, that after the first three months there would be an interim report, will the First Minister or the Minister of Industry and Tourism now ask the Provincial Auditor whether we have wasted \$205,000 of the taxpayers' money?

Mr. Ernst: Mr. Speaker, until such time as the report is finalized the determination of whether or not the report has value to it is very difficult to determine. Not even my honourable friend across the way could determine that until such time as a report is tabled with the Government, a final report. In terms of the monthly contact, it is happening on a regular basis

with staff of my department in accordance with the terms of the agreement.

Mr. Speaker: The Honourable Member for Broadway has time for one very short question.

Rural Dignity of Canada Court Challenge - Canada Post

Mr. Conrad Santos (Broadway): To the Honourable Deputy Premier and Minister Responsible for Seniors, exactly a month ago I asked the Honourable Minister whether or not his Government will support Rural Dignity in its fight against the federal Government cutting down postal services and closing out postal outlets in both rural and urban areas.

Has the Minister reconsidered and restated to consider his position and now will support Rural Dignity, which already has the support of six other provinces in fighting the federal Government to give essential public services to all Canadians, particularly to senior citizens with limited mobility in their postal delivery services?

Hon. James Downey (Minister responsible for Seniors): Mr. Speaker, I thank the Member for the question. Let me first of all clearly indicate to the Member that through the Seniors Directorate, which was the first one established in this province by the Premier that is here in this Government, paying special recognition to the needs of the seniors, something that his former administration did not do for the seniors of this province. We have a very close contact with all the seniors leadership in this province, and the subject matter which he has raised has not come through the leadership of that organization to me through the Seniors Directorate. When it does, it will be treated very seriously and dealt with.

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

ORDERS OF THE DAY

House Business

Hon. Clayton Manness (Government House Leader): Mr. Speaker, I propose to call the motion to go into Committee of Supply. Before I do, though, I would like to make a number of announcements.

Firstly, the Standing Committee of Economic Development called for Thursday, to deal with A.E. McKenzie will be cancelled, Mr. Speaker. We would

propose that committee then would be called, and again the Economic Development Committee would be called on Thursday, November 29, at 10 a.m. to consider the Auditor's Report for A.E. McKenzie Limited.

Secondly, Public Accounts Committee will be called for Thursday, November 29, at 10 a.m. to consider the Annual Report for March 31, 1989, and the Supplement, Volumes 1 and 2.

With respect to today, Mr. Speaker, I believe you might wish to canvass the House to see whether there is unanimous consent to waive private Members' hour today. Secondly, the Estimates line-up would appear as follows: The Department of Family Services will have its Estimates continued to be reviewed in the committee room outside the House, Room 255, and within the Chamber the Department of Labour will be considered until roughly around 3:30, at which time it will be followed by the Department of Government Services.

Mr. Speaker: Is there unanimous consent to waive private Members' hour? That is agreed.

* (1420)

Mr. Manness: Mr. Speaker, I should also indicate to the House, if by chance Government Services were completed before six o'clock, and depending on the critics, we would then move into Highways and Transportation within the Chamber.

I then would move, seconded by the Minister of Justice (Mr. McCrae), that Mr. Speaker do now leave the Chair and the House resolve itself into a Committee to consider of the Supply to be granted to Her Majesty.

Mr. Speaker: Is there unanimous consent for having Family Services in Room 255, Labour up until 3:30, at which time we will go to Government Services, and if that is done prior to six o'clock, we will be going to Highways and Transportation? Is there unanimous consent to alter the sequence? Agreed.

Motion agreed to, and the House resolved itself into a Committee to consider of the Supply to be granted to Her Majesty with the Honourable Member for St. Norbert (Mr. Laurendeau) in the Chair for the Department of Family Services; and the Honourable Member for Seine River (Mrs. Dacquay) in the Chair for the Department of Labour, and the Department of Government Services.

CONCURRENT COMMITTEES OF SUPPLY

SUPPLY—FAMILY SERVICES

Mr. Deputy Chairman (Marcel Laurendeau): Will the Committee of Supply please come to order. This afternoon this section of the Committee of Supply, meeting in Room 255, will resume consideration of the Estimates of the Department of Family Services. When the committee last sat, it had been considering items 1.(f) Agency Relations Bureau: (1) Salaries \$203,000 on page 58 of the Estimates Book. The Honourable Minister, you had some answers to some of their previous questions from the other meeting?

Hon. Harold Gillieshammer (Minister of Family Services): Mr. Deputy Chairperson, I have a number of items that I would like to table that were requested by the critics: first, some reports and reviews prepared by the Planning and Research branch. The Member for Wellington (Ms. Barrett) requested copies of reports prepared by this branch. I am pleased to provide the two Opposition Critics with copies of a number of these reports prepared during the past two years. These reports represent examples of Planning and Research's activities and outputs. In addition, of course, the branch prepares briefing notes, analyzes Cabinet submissions on major social policy issues which I am unable to share as they are intended for internal policy development purposes. I have copies of a number of those for the critics.

On November 19 the Member for Wellington requested a copy of The Social Services Administration Act. I am pleased to provide a copy of this Act for the Member, with an additional copy for the Member for Osborne (Mr. Alcock).

Also on November 19 the Member for Wellington (Ms. Barrett) requested the job description for the staff of the Agency Relations Bureau. As I indicated yesterday in my response to questions about staffing for this branch, there are three Agency Relations consultants and staff with the branch. Although the incumbents have different backgrounds and experience, all three share the same general job description and title. I am pleased to provide the Member, and the Member for Osborne, with a copy of the job description.

Several days ago the Member for Osborne (Mr. Alcock) requested a revised version of Chart 2 from Family Service Estimates Supplement. The

Member asked if the chart could be modified to indicate the portion of program expenditures delivered by external agencies. I am pleased to provide the two Opposition Critics with a revised chart which breaks down the program component into the costs of programming and services directly administered by the department, for example, income maintenance and day care subsidy expenditures, and the cost of services purchased from external agencies. The revised chart illustrates that, in addition to providing almost \$85 million in grants, the department will spend about \$86 million of total expenditures in 1990-91 on purchases of services from external agencies.

Finally, on November 19, the Member for Wellington (Ms. Barrett) requested a copy of the comments made by the Provincial Auditor concerning the establishment of an Agency Relations Bureau in the Department of Family Services. I am pleased to provide excerpts from the Audit Observation Report of the Provincial Auditor for the 1989-90 fiscal year relating to the establishments and functions of the bureau.

Mr. Reg Alcock (Osborne): I would just like to thank the Minister for this, and I thank the department. I think it is a lot of work and it was prepared in a timely fashion, and it is helpful for the process that we are undergoing.

Ms. Becky Barrett (Wellington): I would echo the comments of the Member for Osborne. I appreciate the information.

Under the objectives of the Agency Relations Bureau, the first one is "to develop standardized internal and external policies, procedures and systems to ensure accountability of external agencies receiving public funding." That is a bit unclear to me, because it says, develop standardized policies both internal and external but only relating to external agencies. Could you clarify that, please?

Mr. Gillieshammer: We had to develop guidelines for the agencies to report back to the department and also had to organize internally to be able to receive that information and be able to use it properly.

* (1430)

Ms. Barrett: Has that activity taken place now? Are the guidelines and stuff completed at this point?

Mr. Gillieshammer: It is an ongoing process, and we are still in the developmental stages.

Ms. Barrett: The four staff people are still in the process of establishing internal procedures in order to deal with the accountability and the activities that they deal with the external agencies on. Is that the correct—?

Mr. Gilleshammer: As we indicated yesterday, this is a new branch, and we are just in the process of establishing these guidelines that can be taken out to the agencies. For the next while, these will be refined and put in place so that the agencies can develop this process with the external agencies.

Ms. Barrett: Have the staff begun their communications with the external agencies?

Mr. Gilleshammer: Yes. The staff—as you have indicated, there are four staff in the Agency Relations Bureau—work with the operating branches within the department on ongoing issues with the Child and Family Services agencies and were also involved with the Eastman shelter, which was an issue before the public a few weeks ago.

Ms. Barrett: So at this point in the Agency Relations—which I understand is a new division—the external agencies that you are dealing with are, as you say, the Child and Family Services and the Eastman shelter. This bureau has not yet dealt with other external agencies?

Mr. Gilleshammer: Yes, as I indicated yesterday, the Agency Relations Bureau is just in its infancy, and it certainly has been involved with other agencies as well. For instance, the Children's Home of Winnipeg has worked with the department on their service and funding agreements, and the agency was involved in that case along with other Child and Family Services agencies and the Eastman shelter.

I think you will recall, I read into the record yesterday, from the Provincial Auditor, the significance and importance of the work that needs to be done in this area. We anticipate, as the Agency Relations Bureau grows, it will be more involved through our branches with these external agencies.

Ms. Barrett: I know it is all anticipatory at this point, but currently—well, let us just talk about what they have been doing with the Child and Family and the Eastman. What has their connection been with Child and Family Services agencies and the Eastman shelter?

Mr. Gilleshammer: The Agency Relations Bureau has been involved with the institutions that we have mentioned. The Member will recall that in the case

of the Eastman shelter, there seemed to be dramatic increases in funding, yet a debt situation. They were able to do an audit and assist the branch of the department involved and the shelter to look at their financial situation.

Similarly with Children's Home, where a rather complicated service and funding agreement has been signed and put in place, the Agency Relations Bureau was able to provide comment on the financial situation, and similarly with the Child and Family Services agencies, which are now working with the department to secure these agreements.

It is important that we look at, not only the funding but at the expenditures of these agencies. As the Member is probably aware, a lot of the discussions that have taken place surrounding all of these issues with Eastman, with Children's Home, with the Child and Family Services agencies, revolve around funding and expenditures.

We hope and sincerely believe that the Agency Relations Bureau is going to assist the branches of the department and those external agencies to come up with realistic projections, where they will be able to have before them the mandate that they are to carry out and have the security of funding to do that program which has been mutually agreed to.

Ms. Barrett: When you were talking about the work that was done by the Agency Relations Bureau staff with Children's Home, you said that they provide comment. I guess that leads me to my question as to whom do the Agency Relations Bureau staff report, and what kind of authority do they have?

Mr. Gilleshammer: They are intended as a support to the various branches that they become involved with. In essence, their final reporting would be through to the Associate Deputy Minister of Management Services.

I used the word "comment," and I could just as easily use the word "assist," I suppose, in the work that they provide to the various branches of this department to try and come up with agreements that make sense, that are going to work, and that are going to stabilize the agencies that we are working with. Basically, the support they provide is to the various branches that would be involved with these agencies.

Ms. Barrett: The Agency Relations Bureau responds then to requests for assistance for doing what it is that they do from the branch managers or the branches. They react to internal requests.

* (1440)

Mr. Gilleshammer: Yes, they respond to the branches as the branches become involved in negotiating some of these service and funding agreements or contracts that are reasonably complicated. Then they report to the Associate Deputy Minister, as I had indicated, or to the Deputy Minister and myself.

The funding for many agencies has been complicated in the past and, in some cases, based on variables which leads to some problems with the agencies. We are hoping that by signing service and funding agreements and having them based on some sound fiscal basis, it is going to provide some security for the agencies and some comfort for the department so that these agreements work.

Ms. Barrett: That seems to clarify the role of the two chartered accountants.

Does the program analyst come into this equation? In every case has the program analyst been involved in these Child and Family Service, Eastman and Children's Home projects?

Mr. Gilleshammer: Yes, the program analyst is still not fully with the branch, but it is anticipated that the program analyst will work with the other members of the branch to see that the program is in place, and that the agencies are in fact delivering a desirable program within the bounds of the fiscal guidelines that are set.

Ms. Barrett: Mr. Deputy Chair, in the cases of these agencies that have been working with the Agency Relations Bureau, has that function been performed and, if so, by whom? Delivering desirable programs within the fiscal boundaries, I believe you said. Has that been dealt with or not?

Mr. Gilleshammer: Yes, the Agency Relations Bureau works with the specific branch and they are the ones, the people in place in the branch that have the program knowledge. I think I see what the Member is getting at and I would remind her that the Agency Relations Bureau is still in its infancy and it is going to take some time before it is fully up and running, although it has participated with the agencies that I have mentioned, Children's Home, Eastman shelter and the Child and Family Service agencies, but again I would emphasize that it works with the branches who are cognizant of the programs and we would see the development of a good working relationship between the Agency

Relations Bureau and the various branches to work together to meet a common goal.

(Mrs. Rosemary Vodrey, Acting Chairman, in the Chair)

Ms. Barrett: Madam Acting Chair, could you explain what the purchase of service principles are that the Agency Relations Bureau operates under? This is the first paragraph of the Activity Identification.

Mr. Gilleshammer: Madam Acting Chairperson, in the service and funding agreements that are being put in place it is important for both the agency and the Government to understand the exact services that are being purchased and that the appropriate funding is provided for the purchase of those services. This would be one aspect that the Agency Relations Bureau would be involved in with the branches within the department and with the agencies.

Ms. Barrett: So it appears to me that there is definitely a need in this context, in this work of the Agency Relations Bureau, for people who understand not only fiscal principles, but also the program principles. There are, to my way of thinking, these two streams here and what I am hearing you say is that, as the Agency Relations Bureau has just begun, the program analyst, who I am assuming would take over some of that program component—I am assuming that no one expects, nor should they, chartered accountants to be able to understand the program elements, they are more interested, or their expertise would be more in the area of the fiscal end of it.

The program analyst will deal with the program delivery elements and I guess I am concerned that not only that person and the staff of Family Services, who are also dealing with this, but that care and concern be given to make sure that the agencies, who are being worked with on establishing these purchase of service principles, are full partners in this endeavour, being the front-line delivery of the service and that the agency-relations people and the Family Services' staff are, of necessity, at least one or two steps back from the actual program delivery.

Mr. Gilleshammer: We agree with what the Member is saying and I can assure you that of the 1,800 employees that are working in this department, not many of them are accountants, and we are not concerned that we are overloading the

department with accountants by having two people work with the Agency Relations Bureau.

The point is well taken however, that the Agency Relations Bureau must work with the branches and the branches are fully cognizant of the services that are provided.

I certainly agree that a good working relationship must exist between the Agency Relations Bureau and the branches, and that they have some common goals to work with the agencies in putting these service and funding agreements in place.

Ms. Barrett: I think this is a tripartite agreement, if you will, the Agency Relations branch, the Family Services division staff and the agencies that they are working with. There has to be input by all three parts.

Mr. Gilleshammer: Yes, while the agreement will be signed between the department and the external agency, certainly we expect the Agency Relations Bureau to make a very valuable and constructive input into the process and the relationship between the particular branch and the Agency Relations Bureau to be a positive one. They work together with the funding agencies to come forward with plans that are workable, that both the agencies and the branches understand, that have objectives that are within the scope of mandated agencies and that in turn funding is supplied for the purchase of those services.

Ms. Barrett: Madam Acting Chair, has the Agency Relations Bureau had to do the second level under Activity Identification, "Undertakes assessments and audits of external agencies as necessary"? I guess the answer to that is, yes, the Agency Relations Bureau has been doing that in the cases of the organizations that you mentioned earlier.

I guess the question is as necessary or as recommended. Is there a determination as to how that will be decided? Will there ever be cases that you anticipate where the Agency Relations Bureau will be asked by an external agency to act? Or is this basically the department saying, there is a problem here; let us put the Agency Relations Bureau to work on it?

* (1450)

Mr. Gilleshammer: Most of the external agencies have their own accounting people in place, but it is certainly possible that in working with Government a request may come forward for the Agency Relations Bureau to become involved. It seems to

date, with the examples I have mentioned, with the Eastman shelter and Children's Home, they were responding to problems which were self-evident. With the co-operation of the branch of the department and with the external agency involved, they have been able to conduct an audit and to make recommendations and to come up with service and funding agreements that all sides can live with. We feel, even in its infancy, that it has provided some valuable service to date. We would hope that it would continue to do so.

Again I would harken back to the Auditor's Report and a very strong recommendation on his part that this is something that was lacking in the past, that was vital for the future, and that we were certainly on the right track. It just seems that we are dealing with increased demand in some areas, and the amount of money that this department spends is not a paltry sum. It is important to the taxpayers of this province that they have confidence in these agencies, and that very hard-earned tax dollars, which we believe are going to be scarce as we come into the 1990s—it is important for everyone in the agencies, in Government and, I believe, even as Opposition Members that we look very responsibly at how we deliver this service and be able to have the confidence of the general public.

Ms. Barrett: I will not disagree with any of the principles that the Minister has stated about the need to expend judiciously and wisely. Certainly, resources are not unlimited. Another question—I am not sure if this is the appropriate spot to bring the question up—but I know that within the Family Dispute Services division, the shelter directors have met and have shared concerns with the department about the funding formula: basically, the amount of money that is granted in the core funding versus the amount—or the proportion of support that is given through the per diems. Will the Agency Relations Bureau be involved in those discussions? My understanding is that there is ongoing discussions about this activity. Will the Agency Relations Bureau be providing comment into this process?

Mr. Gilleshammer: The Agency Relations Bureau will not be directly involved in looking at the funding model but, more precisely, at looking at some of the agencies. You are absolutely right. The directors of the shelters do meet from time to time. My first day on the job I had the distinct pleasure of meeting them last week in Brandon, with the official opening of the new Westman Women's Shelter. I understand that

the shelter directors spent a couple of days in Brandon, I am sure, timing their meeting to be able to visit the new shelter and to exchange ideas. The shelter directors have expressed some thoughts on funding.

I also had the pleasure of visiting Osborne House here in Winnipeg and meeting with the shelter director there and with some of the staff and board members, and some very positive comments were made about the funding, the model that is in place now. In fact, I believe the comment was made that it was one of the best funding models in Canada and that Osborne House was very pleased with the stabilization that has taken place with funding to the shelters, because if you go back some two years, funding existed at a much lower level, and the funding changes that have occurred in the last two years have added a great deal of stability to the shelter system.

Having said that, however, the funding model and the information that comes forward from the directors is something that will be under review, and the department will be looking at how funding is put in place. Shelters, of course, and boards of shelters have a responsibility to look very carefully at income and very carefully at expenditures, just as you and I have to do as individuals and try and live within our budget. I think it is important that the boards that are duly elected to operate the shelters make decisions based on the income that they are going to have.

I think it is important that the shelter directors meet, as you indicated they do from time to time, and share ideas. You know, ideas have come forward from some of them through to my office on how they can assist each other. I give the example of a time when adjacent shelters perhaps can assist each other. If they are in a situation where they have more clients than they have room for and an adjacent shelter perhaps is empty, or half empty, rather than placing people in hotel rooms, where feasible they could perhaps redirect clients to a nearby shelter, and that shelter could gain from the per diems.

Ms. Barrett: Madam Acting Chair, I think we will probably get into this in more detail under the Family Dispute Services. I am concerned, however—and I think this does relate to possibly the role of the Agency Relations Bureau—when I hear, as I have heard this Minister, the Premier and other Ministers talk about the analogy between agencies such as

shelters and Child and Family Service agencies, that everyone has to learn to live within their income.

* (1500)

A couple of comments. I think the analogy in both Child and Family Service and for sure the shelters breaks down a bit, because to me, you have a much easier time of living within your budget the more income you have, and the more secure that income is, that allows you to have a greater proportion of discretionary income. I would suggest that because of the lack of base funding and the lack of increase in funding, in particular for the shelters, the lack of a known base from which to fund, it becomes more and more impossible for anyone, a family or an agency or a Government, to budget carefully, because the discretionary income portion of that budget becomes smaller and smaller.

If you are telling shelters to make decisions based on the income that they have, their decisions are based on the core funding grant that is received by this Government. You cannot ask a shelter or a child and family service agency to effectively budget when much of their income is based on maintenance, per diems, those kinds of things that are tied to quantity, that are tied to the numbers of people that they service.

To provide good service, a shelter should be open 24 hours a day, staffed adequately so that the shelter could function at capacity. When you have a majority of your revenue based on per diems, you are bound to not be able to adequately provide funding, and you are bound to go into debt. I will get into that more in detail, but I think the whole concept of being able to budget is similar to what the series on poverty that we have been seeing in the newspapers and on television recently, that the closer you are to the poverty line, or under the poverty line as many of our citizens are, the less you are able to manage. In some cases you cannot manage, because there just is not enough money. If you have X number of children, they have to be fed, and that is an analogy I think that makes more sense than the shelter.

My question I guess is that when you are talking with Child and Family Service agencies, which I assume you will be, and also shelter agencies, shelters because their discretionary income, the income that is not tied to flow-through money or per diems or maintenance grants, but the money that we had tabled for us, which is less than four percent

average for Child and Family Services and virtually no expansion for shelters.

Is the Agency Relations Bureau going to be involved in dealing with these agencies, in making recommendations as to how they can deliver service within these parameters? Are there sound fiscal principles that are at work here? I would suggest that there are not.

Mr. Gilleshammer: I would like to respond to a number of the comments about shelters before we get back to the Agency Relations Bureau.

We have indicated that we are committed to reviewing the funding model for shelters, and I would repeat that again. When the Member talks about a lack of funding, and I have indicated on numerous occasions that there has been quite an increase in funding. We do not feel that there has been a lack of attention, or a lack of dollars put into the shelter program, some 47 percent over two years. The funding increase has been quite dramatic.

What we are asking shelters to do is to make management decisions. You alluded to staffing decisions and said that shelters had to be staffed at all times as if they were at maximum capacity. I am not so sure that you are right in that area. If the shelter is vacant, it would seem to me not necessary to have it staffed as if it was at maximum capacity. I think there are shelters that are vacant for weeks at a time. On the one hand, that is good news, that there is not a need to access a particular shelter. I think that management decisions have to be made which take that into consideration. The shelters know full well what their base funding or core funding is, and it is a good portion of the income that the shelter receives.

By the same token, the per diems, I think, are certainly volume sensitive. The shelters have to be aware of what the potential volume is and certainly cannot staff and expend money as if they were at capacity at all times. More and more we see the management decisions that have to be made by volunteer boards being crucial to the survival of these agencies and putting them in a position whereby they can perform the mandate that they have before them.

In response to the final part of that question, most certainly the Agency Relations Bureau will be involved with the branches in working with agencies, and with the shelters in determining what services

they should provide, and giving the type of assistance that is going to make for the signing of a service and funding agreement that both sides can live with, so that they know exactly what services they are providing and what funding they are going to get.

Ms. Barrett: I guess I am not an expert in management practices, but I cannot think, and I hope the Minister can tell me I am incorrect, of a management model or a staffing model that provides for reasonable working conditions for staff, that on the other hand says that if the shelter is vacant, you do not need staff. On the surface, that is a very logical position.

The whole point of the shelter concept, the whole point basically of Child and Family Services, of provision of services like these two major classifications, is that you never know when the need is going to be there. You do have to make provision for there to be adequate numbers of staff on hand for the hours that shelters are open. Shelters should be open 24 hours a day, 365 days of the year, because the need is always there.

This to me is one of the major stumbling blocks, if you will, to bridging the gap between what the shelter directors and the shelter workers have stated, and what is being stated by the Government, that good management practices mean that you can live within a very small core budget and have a high percentage of your budget based on volume turnover. If you do not have adequate staff, then you cannot provide the service. You cannot have adequate staff given the core funding amounts that have been in place in particular shelters, but in the same category, in the same way, Child and Family Services. Is there a management practices model that will address this problem?

* (1510)

Mr. Gilleshammer: I do not think there is a model that we can apply to all of the shelters that is going to answer their staffing problems for them. Hypothetically, if the shelter is empty and its maximum capacity is 10, the board and their managers should be able to arrange staffing to indicate that there would be a different complement of staff there when the shelter was empty and additional staff added when the shelter was at maximum capacity.

I think by good management practices, they would be able to come to grips with that problem, so

that they do not have maximum staffing and an empty shelter. I think that the Agency Relations Bureau and the branch of the department that is responsible for shelters would be pleased to work with the board to help them find that sort of solution.

We would also offer the services to do some board development, for boards with changes from time to time and new members coming on and perhaps people without the experience in certain aspects of board decision-making. The shelter should have the capacity to react very quickly, when they go from zero percent occupancy to 80 percent or 90 percent occupancy. I think that sort of management can be put in place.

Ms. Barrett: I do need to take exception to this because most shelters have between five and seven staff people. They do not have 150 to 200 people that they can say, okay, this is shift 1 and this is shift 2, and we will move you around, like perhaps they can do in major corporations where there is more flexibility.

We are dealing with a very limited number of people, even when the shelters are fully staffed and fully operational; we are dealing with administrative components that traditionally are dealt with during business hours; we are dealing with needs to take families to—particularly in rural shelters, where transportation and service provision in that nature can be a major time component of a single person's day. I know that they could take an entire day, one person going with one family or one woman to a lawyer or to a doctor, that sort of thing. The economies of scale just do not work here.

The other thing is that staff are paid at a very low wage. As it is now, if you look at what a staff of a—say the Eastman shelter, time on, time off, they are doing ridiculous—not because the management is incapable or incompetent, but because the staffing component is so narrow and so inadequate.

They are being asked to do sometimes two and three 16-hour shifts at a time, where in the past they have been asked to do this and part of that is because sometimes there are more families in than in others, but to say that you can make those kinds of adjustments on a very short notice is, I think it would be impossible given the small number of staff that we are dealing with here and impossible given the fact that staff need to have a reasonable sense of what their hours of work are. We are talking about work here.

I know many shelter workers find it difficult. They do incredibly long hours, and they are very committed, but the bottom line is that I am sure basic employment standards requires that they know more or less when they are going to be working. So in order to cover basically the shelter operations, you do need to have people on.

The other thing is that at times when shelters are not completely full, that is the time you can do outreach, you can do follow-up with families who have left, which is an incredibly important component of any kind of ongoing preventive program. It should be a really big part of shelter operations and is cut back because of the inadequate funding base.

My bottom line is that I do not think there is a management-practices model in existence that will enable shelters and Child and Family Services agencies, to name only two, to provide adequate service, given the funding levels that they are currently operating under and given the funding formula that is currently in place. I think that is what the shelter directors unanimously stated last year in their report, that there needed to be a clear re-examination of the funding formula and the balance, and that a higher percentage of funding needed to go into the core operations and a smaller percentage needed to go into the per diem expenses.

I would suggest that is probably the same kind of principle that we could apply over the entire thing. The discretionary income component, to put it into the personal family terms, needs to be expanded. The amount of money that they can spend doing these things, that they know they have to work with, needs to be expanded and less volume-sensitive funding, just because of the nature of the business.

Mr. Gilleshammer: Madam Acting Chairperson, I guess what we are talking about in the case of the shelters is the fact that the shelters are relatively new and there is an evolution taking place. Some of the problems that the Member identifies perhaps are peculiar to the smaller shelters, because I can tell you at Osborne House they feel very comfortable with the funding model.

It is maybe important to identify the per diems, which you refer to as discretionary income, are in fact discretionary income, and you cannot plan for the operation of the shelter as if it were guaranteed income. One could ask the question, if a particular

shelter was able to operate a couple of years ago with \$50,000 or \$60,000 and appeared to operate successfully, why does it not operate successfully when they receive \$150,000.00?

I think this is where the management side of it comes in. There has been that rapid growth in income where the income has more than doubled, grown at perhaps 150 percent. If they succeeded with substantially less money, why are they failing with so much more money? I think it raises the whole issue of management, and we again would repeat that we are committed to reviewing the funding model.

We have put in place a service and funding agreement, whereby the particular agency has agreed to provide certain services and will be getting additional funding. I think that, even though the shelter is small, management practices are very important.

I do believe with a staffing component that there has to be some flexibility perhaps with full-time people and some part-time people. Many businesses have to react to peak demand times by having part-time staff come in. Given the desire for employment in communities, I think that board and management have to put in place staffing components which reflect the demand on the service.

* (1520)

Ms. Barrett: Again, as I have stated, we will get into this in more detail. I just did want to put on the record that I think it would be, particularly given the demographics of the population in Manitoba, a very dangerous precedent to assume—and I am not suggesting that this is happening—but to assume that a model and a funding formula that works for Osborne House will work for any other shelter in the province just because of, for one thing, the economies of scale, and for another thing, the fact that the distances between these shelters is great.

(Mr. Deputy Chairman in the Chair)

Some of the elements that I have spoken about earlier I will bring up again when we are into more detail. I do believe that we need to be very responsive to the differing needs and the differing elements that our population and our geographic configuration require of us, and that we must not state that because Osborne House is functioning with this funding formula, this funding formula can be transposed to other shelters.

At that point I will end my comments on this area. I have a lot of questions, but because this is a new area, because it has not got up and running, I think the answers will probably be hypothetical until we have a little more experience with what actually is happening with this bureau.

Mr. Gilleshammer: The geography of the province certainly is a factor. I am not sure whether one shelter being 30 minutes or 45 minutes removed from another shelter necessarily is a big problem. It may be a problem in certain cases, and I think that would be case specific. If shelters can work together, they can certainly assist each other.

The point is well taken that if the funding formula suits Osborne House, it may not be the most suitable for one other agency, but we have made a commitment to look at the funding model. Again I would repeat that it seems that in the evolution and growth of agencies they did survive with significantly less funding. I do not believe they should fail simply because they got quite an enhanced level of funding, but we are prepared to look at that. I would repeat that boards have to be sensitive to their own particular needs and their own local requirements.

I think, too, that, in terms of staffing and in terms of expenditures, we have to pursue the type of co-operation that can exist between shelters. If one is overloaded and sending people to a hotel, and there is a shelter that is empty 45 minutes away, we make use of that wherever possible so that the per diems could flow, this discretionary funding could flow, and that the services that are there could be provided.

Mr. Alcock: Perhaps I can start in a discussion of this area with that comment. I appreciate the remarks that the Minister makes in terms of agencies needing to co-operate and share resources. I believe that is a philosophy that is common in the social services. I think that is how they began; it was through groups coming together to share resources and to help each other.

The Minister has said several times in response to questions from the Member for Wellington (Ms. Barrett) that boards must make decisions based on the income they have. While that sounds on the surface like a logical and appropriate sort of statement to make, what does the Minister advise agencies do when they have increases in the volume of work that they are expected to respond to, arising from circumstances that are beyond their

control? What advice does he have for the agencies then?

Mr. Gilleshammer: I would answer that in the context of the shelters that the Member for Wellington (Ms. Barrett) and I were talking about. We were talking about staffing levels for shelters when they were empty, or when they were partially full, or when they were completely full. My comment was in regard to the fact that the board and management must have the flexibility to address the volume that the shelter had to deal with. I will just leave it at that.

Mr. Alcock: The Minister has made similar comments though on the boards of other agencies, so I would ask the question one more time. When an agency is faced with a change in its workload, when it is faced with an increase in the request for service that it is mandated to provide, increases that are not within the control of the agency, but arise from the community, and then increases which place an exceptional demand on the agency, what does the Minister expect the agencies to do?

Mr. Gilleshammer: As the Member well knows, the agencies over the last five years have experienced the increase in volume and have increased their activities. By the same token, funding has increased to the agencies.

Agencies provide quite a variety of functions, and certainly their primary functions are to protect children and families at risk. The agencies are currently working with the department in establishing priorities and talking about funding and hopefully in the near future will be able to sign service and funding agreements whereby they will know the services that they are called upon to provide, and the exact funding that they are going to receive. The agencies have experienced a fair growth over the last five years, both in the client base that they serve and in the funding that they have received from Government. We are in a transition period as we get these service and funding agreements put into place.

Mr. Alcock: The Minister makes the point that the requests for services have increased and that funding has increased. He is correct on both counts. The question is: Does he have any study or has Agency Relations done any examination of whether or not the increase in funding has kept pace with the increase in the demand for service?

Mr. Gilleshammer: Yes, we believe that the funding has increased at a rate that keeps pace with increased volume, but I have indicated that the Agency Relations Bureau and, more appropriately, the branch that deals with Child and Family Service agencies is right now in the process of examining the workload and working with budgets for the coming year with the prospect of putting in place service and funding agreements that both the Government, as the funder, and the agency, as the delivery vehicle of the service, can both live with.

Mr. Alcock: I certainly support the concept of service agreements. I think that they are an important tool that will go some way to answering some of these questions into the future, but the problem is the base that we are starting with. The Minister has said in response to my last questions that he believes that funding has kept pace with the demands for services over the last five years. Can he table an investigation and examination of that that shows that to be the case?

* (1530)

Mr. Gilleshammer: We do not have a document to table for you, but every year the department does an analysis in terms of studying the budget, so that the budget increases will be appropriate for the agencies.

The Member is probably aware of the service and funding agreement that has been signed with Children's Home of Winnipeg, as an example, where services can be identified and funding put in place for the services that the agency will provide. This type of service and funding agreement hopefully will be something that we can put in place with other agencies, and we can then more accurately determine the services and the funding and match the two together.

Mr. Alcock: Just to respond to the Minister's comment, no, I am not familiar with the agreement in any detail that has been signed between Children's Home, but I did research the issue of funding agreements in some detail, looking at the Ontario models that have been used. I think there is great value in signing them.

I would point out an important difference though when one talks about Children's Home of Winnipeg versus a Child and Family Service agency or a shelter, and that is the work the Children's Home does is not volume-sensitive. The Children's Home can say, although they do not—I mean I think it is a

very fine agency which attempts to stretch its dollars absolutely to the limit and often past the limit in order to provide services—we have only so many beds, we are only going to provide so much service, but a shelter who has an abused woman at the door or a Child and Family Service agency who gets called by a school and says, "We have an abuse case here," cannot say, "Sorry, we have reached our quota for the day." They must respond, so there is a volume component to the work that they do.

First he said that the belief is that the funding has kept pace with the demands for service, and then he said, when I asked if he could produce some evidence of that, that they do not have a document that they can table. What evidence do you have to proffer that funding has kept pace with the demands for service?

Mr. Gilleshammer: I have indicated that the department does an analysis of the services provided by agencies in the determination of the budgets. The Member has recognized that there has been a dramatic increase in funding over the last five years, and we agree that there has been an increase in the volume of work to do. The issue of the workload is a volatile one. We spent some time this morning at an agency who questioned why their intake was down and asked us if we had an answer for that, and we did not. They themselves did not know why their volume was down, and they, in fact, had questioned Child and Family Service agencies, two of them in Winnipeg, regarding the volume that came to this agency from time to time. In fact, there did not seem to be an apparent explanation of that.

The point I am making is that the volume is sometimes somewhat unpredictable. We do recognize there has been an increase in the volume since the decentralization. There has also been a tremendous increase in the funding. We are hoping in this year of transition that the Child and Family Service agencies working with that branch of the department can refine these agreements and that the agencies will feel some comfort level in knowing what their income is and what services they are to provide.

The mandate for the agencies in legislation, of course, is a very broad one, and I think the service and funding agreements will perhaps refine in some respects some interpretations of that legislation.

Mr. Alcock: Let us just come around this. If the Minister, by the way, in responding to this next

question, could tell me the name of the agency that is experiencing the decrease in volume, then perhaps I could respond to the comments that he made, because I think it is extremely important that the Minister differentiate between those agencies that provide the service to the front-line agencies, and therefore can control their volume of services, versus those agencies that are on the front line.

For example, I know it was reported the other day that MacDonald Youth Services is reporting a decrease in its intake. MacDonald Youth Services specifically is not a front-line agency. It provides a service directly to the front-line agencies and services a clientele that is predominantly older teen-aged boys; and, if the agencies are cutting back in services to older teen-aged children, as they indicate they are because of budget constraints, then it quite understandable that MYS's intake would be down. It is not commendable, but it is certainly understandable.

The Minister did say that while he has no report, or presumably an investigation, to table, the department does do an analysis every year to demonstrate that their funding has kept pace with the rate of growth of services. Would he then table the analysis year over year for the last five years to show us that this is indeed the case?

Mr. Gilleshammer: The Member is asking for internal documents that go to Cabinet and Treasury Board and we will not be tabling them here. The agency that I visited this morning was, in fact, MacDonald Youth Services, and they certainly explained the program that they have there. It is my understanding the youths can be referred through to the MacDonald Youth Services without any cost back to the agencies. I simply use that as an example of an agency that exists and has existed in the city for a long time that is experiencing one of these variables in the system.

Mr. Alcock: Now we come down to a problem because the Minister and certainly the Premier (Mr. Filmon) are prepared to condemn the agencies based on the analysis done by this department of a workload of these agencies. We have studies done by the department and the agencies which indicate that workload is well in advance of the support that they receive, in fact, approaching, according to one study, a critical level. We have studies done by the School of Social Work that suggest that funding and support has not kept pace over the last five years.

The Minister or his department, instead of responding to those and showing some evidence that what they believe to be the case is indeed the case, just insist that they have internal documents approved. That is well if you have proof. Let us have that debate. Let us have it on the table so that the agencies, and the public, and all of us can agree that this is indeed the case and there needs to be a change in the kind of services. I, to date, have not seen a single piece of evidence that suggests that is the case, and I would love to see some.

* (1540)

Mr. Gilleshammer: I would like to take the opportunity to correct the Member. I have not condemned any agencies. I have not condemned staff of agencies. I have visited three of the Child and Family Service agencies in the province and certainly I have high praise for the work that front-line staff do in very difficult times. I have a lot of respect for people who work with young people who are at risk and families who are experiencing difficulty. I think that there are some wonderful people involved in the services that are provided for young people and the disadvantaged in this province.

My department staff have worked well with agencies and work is in progress to bring forth these service and funding agreements. I think that the Member would do well to allow these negotiations to take place and these service and funding agreements to come into place. I believe that it is the right direction. There are a number of reforms that I think have to be made in our system. We look forward to putting them in place in the continuing years of our mandate as we form Government in the latter half of the 1990s that allow us to bring these reforms to the Child and Family Service agencies.

When I met with the board chairman and the chairman of the combined boards the president of the association in her first statement said that they wanted to form a partnership with Government. I reacted to that very swiftly to say that we would be most pleased to work with these agencies and their boards along with Government because I think we have a common goal, a goal to provide better service for the young people and the families at risk in this province.

I am sure the Member occasionally reads the papers as I do and watches the news media where there is documentation of numbers of people who

are at risk in society and people that in many cases it is very difficult to find solutions for. I think we have a challenge to make the system better, and Government spends a tremendous amount of money in this department, some \$535 million. I am pleased that we are in a situation where we are simply examining how that money is spent so that we can examine the system and find a better way to do things and a better way to deliver service.

We have signed, as I indicated before, a service and funding agreement with Children's Home, an organization that survived for many, many years on different types of ad hoc funding and funding that was accessed from various levels of Government. I think it is important that we put in place some funding that agencies and shelters are assured of—and the Member for Wellington (Ms. Barrett) and I were in discussion on this earlier this afternoon—so that they know exactly what their funding is and what is expected of them.

This is the process that is happening right at this time. We feel that we are on the right track. Unfortunately, we do not have instant results. We cannot say, yes, by adding that 15 percent to the budget this year we have fixed everything. We think that we can, as I say, over a number of years, provide some answers and turn these agencies and the department in a direction which is going to meet with the approval of Manitobans generally and probably even Opposition Members but it is going to take some time.

Mr. Alcock: I suppose I deserved that for the comment I made off the top. We are beginning to slip into debate, and I would like to continue with questioning, but I am forced to make a couple of comments on it.

I do want to differentiate. I think the Minister is making an honest attempt to get around to agencies. I think that is important that he get out and see what is happening out there in the real world and not simply rely on analysis that is fed to him through people who have no hand in delivering direct services, frankly. I mean, that is a feeling that I think the agencies have held for a long, long time that it is time that this department begin to work in the real world and begin to get a sense of the pressures that agencies are really feeling.

There is a problem. There is a debate here. The debate is around the pressure that these agencies feel because of the increased pressure for service

when you advertise child abuse or when you advertise spousal assault services. That produces more pressure. The telephones begin to ring, people begin to come to the centres. That is a fact. That increase in the volume of service is a fact. The Minister has admitted to that.

The question is: Is the support the department is delivering, has it kept pace with that increase in volume? Now the Minister has said that it has. There are studies in existence that suggest that it has not. All I am asking the Minister to do is to table a single study, a single analysis that presents the other side of the argument.

Mr. Gilleshammer: I have indicated to the Member that the analysis that the department does is for the department, for Treasury Board and for Cabinet. These documents are not for public consumption, but it gives us some comfort level that the funding increases reflect the increase in the demand.

I guess, in fact, we are not talking about a highly scientific thing which we can calibrate to show that there has been some exact changes, but we feel from the analysis within the department that there has been sufficient increase in funding. I would emphasize again that we are in a transition period as we get into these agreements where we are going to try and bring some stability to the situation.

Yes, I have made an effort to get out into the real world and visit as many of these agencies and groups that deliver service as possible. I bring to the job a lifetime in the real world, and I am not overwhelmed by some of the things that I have seen that agencies do. I think what is at stake here is the development of a relationship between Government and agencies where we are pulling together to solve these problems.

I would readily admit that the type of work that agencies do does involve some pressure, that they are dealing with very sensitive issues, that they are dealing with very volatile individuals. Again, I would emphasize, I have not condemned the agencies. I have praised them in the work that they do, and I think that they will continue to make decisions on a daily basis which affect the lives of people who are very vulnerable. You know that there is a high sense of dedication to the job by many of the people that work in the field and it is a very, very difficult job.

I think if you look at the reaction that comes forward from the general public sometimes, even on the poverty issues that have been highlighted in the

paper and the electronic media, there is you know a high degree of talent that is required to work with these people. I do not have any study, but I expect there is a burnout rate with social workers that is significant.

I can tell you the same thing happens in the school system as people work with these pressures, and I think the professional development that people expose themselves to in the school system or social workers is very important, that they keep current on new techniques and ways in which they can work together to do the job that faces them.

So it is a demanding job, and I think a vital service that this province has duly recognized. Over the last three years Family Services has been one of the departments that has received the highest increases in budget, along with Health and Education. I think it reflects a concern and a commitment on the part of our Government and we, in this year of transition are saying, is there a better way to spend this money? Can we examine what we are doing in Family Services with the Child and Family Services agencies? Can we find better ways of doing things?

* (1550)

Just as I talked earlier of shelters and boards of shelters co-operating, I think it is important that the Family Services agencies not only co-operate with the department in reaching these agreements, but that they co-operate amongst themselves as they share some of the service delivery that takes place, for instance in the City of Winnipeg.

There may be ways of doing things better, and hopefully the service and funding agreements will identify some of these ways. I am sure there is not a board out there or an agency out there that would not agree that examining what it is they do could be a beneficial thing.

Mr. Alcock: I am pleased the other Minister recognized just how hard the people that work in this field work. He mentioned though documents that are produced for Treasury Board and Cabinet analysis. He says analysis exists that suggest these agencies are funded adequately to meet these services they are expected to provide.

He is unwilling to share that information with us at the current time. Is this the analysis that the Premier (Mr. Filmon) used when he went on the Peter Warren show and said basically that the managers

of these agencies were incompetent and the boards did not know what they were doing?

Mr. Gilleshammer: I would caution the Member not to put words in anybody else's mouth. I think you have the opportunity to question other Members of the Legislature in Question Period and have done so and received answers.

Mr. Alcock: Well, I am not to ask questions then?

Mr. Gilleshammer: I would be prepared to answer questions on comments that I have made and about the department, but I think the Government, the Cabinet has recognized the valuable work that is being done, as I have indicated a few minutes ago, with increases in funding over the last three years, and a commitment to examine if there is a way to do things better.

Again, I would emphasize the process that we are in the middle of at this time, and I would hope the Member would be patient and allow this process to take place, this transition to the service and funding agreements. I am sure that you are going to see a better system evolve from it.

Mr. Alcock: Well, as the Minister knows there is no one more patient than I.

I think it is a fair comment that the Minister makes, that he should not be answerable for statements made by somebody else, although the somebody else in this case was indeed the Leader of this Government, who presumably had something to buffer the statements that he makes publicly over and over again.

The debate that is arising here is, now the Minister today said that they have an analysis. They believe that funding has kept pace with the demands for service. When I asked him about that, he said he did not have a document, but they do have an analysis. Yet, when I continue to ask—I can show you reports that say the opposite, that say that funding has not kept pace.

If funding has kept pace, defend yourselves. Give us the evidence, show us the facts. We are here to talk about funding, support your case.

Mr. Gilleshammer: Well, I am just exceedingly pleased that the Member is patient. However, he can ask that question as many times as he likes, and the answer is the same. Internal documents that are taken to Treasury Board and Cabinet are not going to be tabled here at the committee.

I recognize also that he speaks very highly of our Premier, and that the Premier is well versed in what is happening in Government, and speaks out on Government issues and has a tremendous knowledge of all aspects of Government.

I am here to answer the questions on this department, and on any comments that I have made. Again, you have asked four times for an analysis that has been taken to Treasury Board and the answer is the same. I hope you continue to be patient, it simply is not going to be tabled here.

Mr. Alcock: Then let us not talk about this year's Treasury Board submission, if you want to treat that as a sensitive policy document, because you are working on it.

This situation did not arise this year; this situation has been growing throughout this decade. Can you table last year's analysis or the year before? Can you table a single piece of evidence, from whatever source, that supports the case that you make?

Mr. Gilleshammer: Well, the Member's patience is going to have to continue, because I do not think he will ever see Treasury documents, whether they are this year's or last year's or the previous year's, they are not information that is going to be brought forward before the committee. They were for internal analysis.

We are still talking about the increase in workload that agencies have experienced, and the dramatic increase in funding that has occurred over the last five years. Government has made a very strong conscious effort to increase that funding to provide the services that individual children who are at risk and families who are at risk need, and the process of examining what it is Child and Family Services agencies do. I can tell you, I have visited three of them, and all three of them perceive themselves as being very different.

I was at the Northwest Child and Family Services Agency one day. Their main goal is protection, and I believe they try very hard and work very hard at protecting children in our society that falls within their geographic area. I believe they work very hard at protecting these people and are very sensitive to those issues within their mandated area.

On a previous visit, I visited the Child and Family Services of western Manitoba. Of course, they service a much broader area. Because of the rural area and the communities which exist in western Manitoba, they have a different view of the work that

they provide. In fact, I have attended their annual meeting the last three years and have enjoyed meeting the many foster parents who always attend these meetings and speak so highly of the work that is being done by agency workers. They there have different problems.

On another occasion, we visited the Northeast Child and Family Services or NEW FACESS, and they have a somewhat different attitude, somewhat different view of things, somewhat different way of providing service, and a different way of identifying what it is they do.

I guess what I am getting at is part of the service and funding agreements and the exercise that we are going through is going to be to identify some of the commonalities that exist with these agencies and the work they do and what other tasks they have taken on and identified for themselves. I think in doing so, we can see what their primary function is, and what are regarded perhaps—and these words may not be words that people in the system use—but maybe what some of their secondary functions are and what additional functions they have after that.

The service agreements and the funding that is going to be provided, as this dialogue goes on between the staff of this branch and the agencies, is going to be very interesting to see what sort of agreements we come up with. I fully expect that it is going to be a tremendous learning experience for the department and for the agencies and, as I indicated earlier, I hope that all of the almost 2,000 people who work in the department are here because they want to see a better province and be able to deliver a better service.

* (1600)

Mr. Deputy Chairman: The hour now being four o'clock, would the committee care to take a 15-minute recess or do you want to carry on? What is the wish of the committee? Recess for 15 minutes until 4:15 p.m.

The House took recess at 4 p.m.

After Recess

The House resumed at 4:13 p.m.

Mr. Alcock: Just before we took the recess, the Minister was telling us about the agencies he had visited. I believe it was Northwest, Western and Northeast. I want to make a comment and then ask

a question on that because he raises a really interesting example when he talks about western Manitoba.

I have believed for some time that the genesis of this attitude on the part of the Government comes from the political debates that were waged in this House at the time of regionalization, and that really what the agencies are suffering from is an attitude that grew up in this Government that predates the Minister and that I know the Minister does not hold. It gets thrown back at the former Government relative to the policy changes that they made at the time they instituted the change that they did.

When you look at western Manitoba, it is an interesting example because Child and Family Services of western Manitoba were not changed. They were not regionalized. The management was not altered. They have the same executive director today that they had then. In fact, the executive director that has been there, I believe, has been there since possibly the mid-'70s. He was an executive director when I started working in this field in the late '60s. He has been with that agency I believe since the early to mid-'70s.

I may be off by a year or so, but three years or so ago they had a surplus. Today they have a deficit and they are in trouble. I am not suggesting that is a result of the change of Government, but I am suggesting that they are suffering from the same workload pressures that everybody else is. It may be different in shape. The ratio of single moms to neglect, to abuse, to unmanageable teenagers may be different, but they have the same problems driving them. It is a volume problem.

When the Minister met with these three agencies, did any of the three agencies say that Government funding had kept pace with the volume?

Mr. Gilleshammer: I would be reluctant to quote them from memory, but I do not recall any of them saying that they were experiencing surpluses. I can tell you that the purpose of the service and funding agreements is to match service provided with funding. I would again point out in this year of transition, this is what we hope to achieve.

I think it is going to take some time. I believe the Honourable Member, who has some background in the system and certainly a connection with the system yet as he works with agencies from time to time, would recognize that to put these service and funding agreements in place and to have them

working appropriately is going to take some time. That is exactly the negotiations that we are in at this time.

The service and funding agreements that we have to date seem to have accomplished that. I think that is why I say with—even though I have only been in the Ministry some five weeks or so—some sense of confidence that where these service and funding agreements exist—and I would cite them for him: one we talked about earlier at Children's Home; I believe one with Winnserv; another with the Eastman Crisis shelter; and earlier than that one with the Thompson shelter—that these are designed to identify the services and match the funding.

If that is the issue that the Member continues to want to talk about, whether funding has increased to match increases in volume or whether volume has outstripped funding, these service and funding agreements are going to address that.

I am asking that he show some of that patience he was speaking about before to allow us to get these in place and give us some experience with them because our objective, I am sure, is the same at least as far as the agencies are concerned, that they be run successfully, manage the funds that are allotted to them and provide the services that are needed for the people who access the system.

So I would ask him to continue to be patient as we put more of these service and funding agreements into place, and I think he will find that they indeed will be successful.

Mr. Alcock: Mr. Deputy Chairperson, I believe the service and funding agreements will be successful. I believe it is a good model, and it is something that has been discussed for a very long time. If the Minister is successful in getting them into place, I think it will be a significant achievement and one that the Minister should be congratulated for.

Before I finish on that, let me just say though that if you start from a base that is too low, from a belief that the current funding level is adequate, then all you are going to do is perpetuate a system that is going to result either in a significant reduction in current services or the failure of some of the agencies. I mean, you are on that road now, but you have a process in place.

I am wondering if the Minister can table the format that they are using for these negotiations or these

agreements, and give us an example of the form that these agreements take.

* (1620)

Mr. Gilleshammer: As I have indicated, we have four of these service and funding agreements, management agreements, in place, and there is one, if we get the permission of the other party to the contract, that we would be prepared to table in the near future. We would like to do them the courtesy of requesting that we be able to table this because it is a contract between the department and the service provider, and we would like to get their blessing on it before we table it.

Mr. Alcock: That will be fine. I would ask that you seek that permission as soon as possible so that we could get a look at it, hopefully, before this Estimates process is over with.

Let us talk then a little bit about Agency Relations as an organizational unit, as opposed to some of its functions. I frankly was disturbed when I saw the department going in this direction. I felt that it was a gigantic step backwards. I say that not by way or meaning to reflect at all on the people who work in the division; I do not know any of them personally. I suspect that they are competent and do their work diligently.

As an entity of Government, I was opposed to it when I worked for the department. Before I worked for the department, I was opposed to it as an organizational structure that I thought fragmented decision-making in the department, and I continue to be opposed to it. I see it as something that makes it more difficult for the department to do the work that it has to do, and leads to exactly the kind of problems that we have now.

I would like to ask the Minister, is the rationale for creating this, I mean, is this the entity that arises based on the Deloitte, Haskins and Sells report to the Minister of Finance from December 7, 1988?

Mr. Gilleshammer: Yes, it was recommended by the consultant and also the Provincial Auditor, and I read into the record something yesterday from the Provincial Auditor that supported that to a high degree.

I would like to take the opportunity now just to read some additional information into the record that I think the Member will appreciate. This is from the Provincial Auditor: "Since 1983, we have been commenting on the Department of Community Services' need to improve its internal management

controls. In April 1989, the Department of Community Services was amalgamated with the Department of Employment Services and Economic Security to form the Department of Family Services. This necessitated a revised organization structure to facilitate effective management of a larger and more complex department. The department, under direction of the Minister and Deputy Minister, has taken steps to develop this revised structure.

"Since its formation, the department has undertaken to review and reorganize many of its operating divisions in order to address the need for improved internal management control, accountability of external agencies, and effective program delivery. Of particular note, the department has organized Management Services, the Agency Relations Bureau and Internal Audit under an Associate Deputy Minister.

"As well, the department has held strategic planning sessions. These sessions, which included participation by central Government staff and senior staff of the department focused on the new department's mission, goals, operating principles and strategic priorities for the 1990s. These actions resulted in a significant strengthening of the planning and organizing functions. The department has also taken steps to improve their reporting, controlling and evaluating functions. We support the approach taken by the department toward improving its operations."

This, by way of information, as well as the information I read into the record yesterday from the Provincial Auditor, supports the direction that we have taken with the Agency Relations Bureau, and in many respects is an attempt to address what is perceived by the Provincial Auditor as a long-standing problem in this department. We are pleased that it has been recognized by the Provincial Auditor, and we hope that the Agency Relations Bureau—and we know it will work in concert with the various branches of the department, as we proceed with these agreements.

Mr. Alcock: As it happens, I have had an opportunity to discuss that with the Auditor, too. It is true there has been a long-standing concern about the financial management and the programmatic relationships with the department. Of course, those concerns existed when there was an Agency Relations branch in the past also. I guess the underlying concern is whether or not this is the most effective way to ensure that programmatic goals are

supported by the funds that are delivered by the department. The concern is simply that, when you fragment those two things, you create two locations, two areas that agencies or the public or private sector agencies have to report to in order to operate their programs.

That creates a very difficult situation, because one never knows who is providing the policy direction. Ostensibly it is the program manager, but all too often, if one believes in the old Treasury Board motto of "a dollar paid is a policy made," it is in fact the Agency Relations people who, in the absence of policy, make policy when they are ill-equipped to do so. I do not think there is a member of that branch past or present that would say that they are.

Who was the principal investigator on this report?

Mr. Gilleshammer: I will just answer your other question while they are getting this information. The branch takes the lead in the relationship with the various external agencies, and they are the lead area of the department in relating to the external agencies. The Agency Relations Bureau will simply interact with the branch staff. I understand in previous history, that there was a type of agency relations bureau in existence which perhaps exhibited the qualities or characteristic that the Member alludes to. This Agency Relations Bureau is going to work with the branch that works with the external agencies, and we do not foresee a conflict that the external agencies will be faced with.

I do not have a name for you; it was an accounting firm that the Member has recognized. I am not sure who the actual staff was that completed the report. Perhaps we can find that information for you.

Mr. Alcock: I can inform the Minister that one of the staff on it was the former Deputy Minister of the department, one of the people who created the original Agency Relations division and who supported it, and who left as part of the reorganization.

The concern I have is the recommendations that come out of this are simply an attempt to recreate something that was in existence. I do not mean to be the least bit critical of the attempt on the part of the department to get a handle on the financial relationship, and as I have said over and over again, the service and funding agreements are an important step forward, if you are able to do it.

The mechanism you are using to do it, I believe in the long run will cause you more problems than it will solve. If I understood your comment correctly, that the Agency Relations branch will not relate to the private sector agencies, but will only consult through branches, then that may deal with part of the issue that gets raised.

I note in the recommendations from this report that led to the setting up of this branch, that it says here, that the very first recommendation is develop an Agency Relations branch similar to that which previously existed. I am wondering how this Agency Relations function is different from the old one?

* (1630)

Mr. Gilleshammer: Yes, as I have indicated to the Member that while the name is somewhat similar, there is a different approach that was used than the approach taken in the past. We feel we are taking a new approach to it and that we are optimistic that this is going to work.

Again, I would point to the success we have had in this branch with the four agreements that I have mentioned earlier and we think that this approach is going to work; we are optimistic that we will be successful and it is going to take time to put more of these agreements in place and some time after that before we can sit back and decide on the various levels of success we are finding with them.

Mr. Alcock: I note in the Executive Summary of this report where it details the recommendations. One of the recommendations that it makes is to emphasize agency fiscal responsibility through the articulation and enforcement of a non-funding deficit policy. Is that the current policy of the department?

Mr. Gilleshammer: We are pleased with the Auditor's response to this initiative and his confidence that we are on the right track to make this work. The agencies that are currently working on budgets have been asked to submit to the department a balanced budget. Some of them have done so; others are still working at it. We feel that part of the service and funding agreements that is going to make this department more accountable to the public and more successful in the long run is to ensure that balanced budgets come forward from the agencies and that we sign appropriate service and funding agreements with them, based on the budgets that will be discussed between this department and the agencies. As I have indicated,

some of those have come forward at this time and others are still in the working stages.

Mr. Alcock: In the discussions that led up to the creation of these budgets, and I note from the Grants list that was tabled yesterday that there is a change in the way in which funding is delivered to the agencies, or things that are funded. In the past the agencies would receive a grant for what was called, at various times, Prevention or Community Outreach. It is my understanding now that those monies are delivered as part of the Service and Administration Grant, in total.

Mr. Gilleshammer: We will be coming to that branch in the Estimates another day and we can get into the detail when we have the information in front of us and we have the appropriate staff here as we discuss those agencies.

Mr. Alcock: I do not mean to talk about the details of those particular agencies, maybe perhaps I should ask the broader question which may be part of the policy that is coming out of this branch. Is there a department policy to stand back from, or to step aside from Prevention and Community Outreach-types of funding?

Mr. Gilleshammer: There is no department policy on that. I think we have to, when we get into the negotiations with the agencies, look at the broad range of services that they provide. As I indicated in the last hour, when I travelled to the agencies across the province, that some of them have developed different services that they provide in the community. I recall meeting with the NEW FACESS staff where there was a fair amount of time and effort placed on Community Outreach.

So, no, these things are not going to be eliminated. I think that as the service and funding agreements are drawn up we will take past activities into consideration and this will be the subject of negotiations between our staff and the agencies and that these agreements will develop.

Mr. Alcock: How long has this branch been in existence?

Mr. Gilleshammer: I indicated yesterday, I believe, that this branch was in its infancy and that the recruiting was done in recent months and that it is not fully up and running at this point, but it is beginning to operate. So it is at its very beginning stages and we expect, as the Provincial Auditor does, that it is going to provide a valuable service to the department. We will be able to use their

expertise as we have, for instance, with the Eastman shelter as we drew up a service and funding agreement with them; the function that it provides will be just a valuable component of drawing up the service and funding agreements that we will continue to put in place.

Mr. Alcock: One of the recommendations that was made for this department was that it revise the existing legislation to address specific concerns of each program's mandate, scope and operations. Has a review of those concerns been conducted by this division?

Mr. Gilleshammer: Yes, legislation has been reviewed and is subject to ongoing review to see that legislation is appropriate to address the perceived needs of the clients that are out there.

Mr. Alcock: Can the Minister share with us the contents of the reviews of legislation?

Mr. Gilleshammer: The work I speak of is ongoing, and there were some changes made to The Child and Family Services Act last year. If the Member is looking for a specific formal document that he wants tabled, that does not exist, but it is the ongoing work that the department does in reviewing legislation to see that it is appropriate. From time to time, legislative changes will be brought forward.

Mr. Alcock: One of the questions that gets raised by the Minister in one context, by the agencies in another, is that their mandate at times has led to problems. Under the legislation they are required to act in a whole range of areas that they are not necessarily funded to deliver services within.

The question is, if the Agency Relations branch is reviewing legislation to recommend changes in specific concerns of each program's mandate, scope and operations, that will have an impact on the services delivered. Now I am a little uncertain. The Minister originally said that, yes, such a review had taken place, and now he is saying, no, it suddenly does not exist.

Mr. Gilleshammer: I am sorry if I have misled you. The Agency Relations Bureau is not reviewing legislation. What I was saying is that it is the ongoing business of the department to review legislation.

In reference to The Child and Family Service Act and the mandate, it is the interpretation of the legislation which is interpreted by some differently than others. I think that part of the service and funding agreement is going to be to identify the services which are going to be provided by that

specific agency, and of course to provide the adequate funding to go along with that. Again, I would emphasize that this process is ongoing, it has been successful with institutions like Children's Home, Winnserv, Eastman Crisis shelter and the Thompson Crisis Centre.

The Member, of course, is on record this afternoon as supporting this as being the right direction to go and also recognizes, I think, that it is going to take some time to put these agreements in place.

* (1640)

The department, as a whole, does review legislation. While this particular Session appears that it is going to be a short one with a minimum of legislation brought forward, in subsequent sessions I expect that this department will bring legislative changes to the floor of the Legislature to be debated and those changes will be put in place.

At any rate, I would again emphasize that with the service agreements, we feel we are going in the right direction. We are pleased to have the Member's support in that and also his noted patience as we get these in place and have a chance to review them and have a chance to analyze in fact how they are working.

I expect that over the course of the year or two or three, we will see that changes will be made in the service and funding agreements as they are refined. We feel optimistic that we are on the right track, that we are going to provide a much better relationship between Government and the agencies as we identify specific areas that agencies are going to be involved in and specific funding that the department is going to provide. I expect that we are going to end up with a better system, and both he and I will be much happier.

Mr. Alcock: I am going to conclude my questioning on this particular—it is not fair to call it a division, what do you call it?

Mr. Deputy Chairman: Item.

Mr. Alcock: Item—with a couple of remarks. I do not think that the Minister should make too much of the remarks made by the Auditor. The Auditor is not commenting on the programmatic role that the Agency Relations branch plays. He is commenting on the need for better financial controls and more definition of the financial management on the part of the department. I think that the department has gone a long way to answering those concerns, and they

should be proud of the response of the Auditor to their efforts. I do not think it should be specifically visited upon the creation of an entity that is simply a replication of something that existed a decade ago.

Having said that, I think the service and funding agreements are a positive step forward, and I think you need to keep in mind two things when you are casting them. It is easy to write one for an agency that has a definable base; it is much more difficult to write them for agencies, as I suspect the people agency relations will encounter. The problem that they have had in any jurisdiction where they have attempted to bring these in is, you have to do two things. You have to start from a base that is adequate, and then you have to solve the volume sensitivity. You have to have a mechanism that addresses the volume problems or you have to make a decision that we are simply not going to serve certain categories of children or certain kinds of abused individuals. So it is a very difficult problem and one that a great deal of work has been done on.

I think they are good because they hold both sides accountable. I think it is good to hold the agencies accountable, and I think the agencies will welcome being held accountable, but a contract also holds the contractor accountable. It will also hold Government accountable. It will be no longer possible for Government to pretend it is funding something when it is not because it will be in writing. I think that is good. I think it will bring clarity to the relationship, and I encourage the Minister in his efforts. I hope that he is able to, when we come back to this table next year, actually this spring, report on what progress has been made.

I would also appreciate receiving what information can be released on these agreements as to the format and policy that drives them because they do not exist by themselves. They exist on a body of policy and legislation. With that I am quite prepared to congratulate the Minister for the work that is being done on those agreements and to pass this item.

Mr. Gilleshammer: I would not want the Member to reflect on the comments of the Auditor in a negative way. The Auditor has been very complimentary to the direction that the department has taken and has asked for accountability and has indicated that he is pleased that we are going this direction and providing that accountability.

I would emphasize again, this is not a replication of the Agency Relations Bureau that the Member referred to that existed in the early '80s. This is a new approach and one that is working. I have cited the examples of service agreements that are in place, and I agree that a service and funding agreement does hold both sides accountable. That is great. Government will guarantee funding for certain services, and the agency will know exactly what services they are to provide. It appears, generally, that the critic and I agree that we are going in the right direction. I am pleased to have his support on this matter.

Mr. Alcock: I just will make the one comment then. I did not intend, or I did not reflect on the Auditor critically at all. My comment was: I recognize the positive comments, but the Minister should not take those comments as a vindication of this administrative change, this organizational change. What the Auditor is asking for is greater accountability in the management of funds, and that can be achieved in a great many ways. The Auditor is recognizing that he believes that it has been achieved, and that it is better today than it was before.

The Minister and the department are to be congratulated for that, but it could have been achieved in a number of ways. The Minister has chosen a particular model. I believe it is the wrong model, but it will get him to greater administrative accountability. I think it will cause him programmatic and expenditure problems down the road. Service and administration agreements may help that somewhat, but he is setting off down a road that has been tried in the past and proved wrong. That is the only comment.

Mr. Gilleshammer: Again I would point out that the Agency Relations Bureau is not identical to one that existed before but is going to work with the branches of the department. We have put in place successfully some service and funding agreements and we expect as time passes there will be additional agreements put in place and we feel we are on the right road there.

The Auditor said very clearly that we need accountability and I have read his statement into the record that we are on the right path and feel quite comfortable that we are going in the right direction.

Mr. Deputy Chairman: Item 1.(f) Agency Relations Bureau: (1) Salaries \$203,000—pass; (2) Other Expenditures \$17,200—pass.

(g) Management Services: (1) Financial and Administration Services (a) Salaries \$1,892,700.00.

* (1650)

Ms. Barrett: I have just a couple of questions on the salaries, and a couple on the Other Expenditures. There is a \$20,000 decrease adjusted vote to Estimates. Is that a change—there are the same staff-years, three staff years, but a decrease in the expenditure?

An Honourable Member: Which page were you on?

Ms. Barrett: Page 37 of the Supplementary.

Mr. Gilleshammer: While we are getting that information I would like to introduce another member of the staff here, Gerry Bosma, Director, Financial Services, who has joined us at the table.

I am told this is a result of the amalgamation of the two departments and the staff rationalization that took place with the amalgamation of the two former departments into one.

Ms. Barrett: So a more highly paid manager might have not stayed in the department and a less highly paid person comes in. There is a \$20,000 decrease, but the same staff use.

Mr. Gilleshammer: I am told that there were two executive directors before and now there is one. If we are talking about the same line here, we are talking about a decrease in that line, so just a readjustment of staff.

Ms. Barrett: A second question, the Indirect Salary Costs, the increase, can the Minister tell me which increase, from \$34,700 to \$80,000, which of the possible Indirect Salary Cost items that might be?

Mr. Gilleshammer: We have three employees retiring that show up in that line. That reflects retirement benefits.

Ms. Barrett: The three managers, could I get just a very brief job description or what their qualifications are, generally what their qualifications are?

Mr. Gilleshammer: We do not have the job descriptions on hand today, but it is something we can provide for you when we next meet.

Ms. Barrett: I do not need the job descriptions. I am just getting at what—are these chartered

accountants, are these financial analysts kinds of positions?

Mr. Gilleshammer: Under Management Services, this includes the executive director and also includes the director of Financial and Administrative Services and an assistant director. You did not ask for the names? Okay. So we have an executive director, a director and an assistant director.

Ms. Barrett: A final question, I assume then, am I reading correctly, that all of these services are internal to the department and they do not relate in any way, shape or form to external agencies? It is just monitoring, maintenance and policies on the internal financial—with the exception of the claims in the two areas, Health and Municipal Social Assistance.

Mr. Gilleshammer: Yes, I can give you a program description. This particular section plans, organizes and evaluates departmental accounting and financial management activities, manages and monitors the departmental commitment accounting system, provides direction on financial and administrative policies, procedures and practices, and other duties.

Ms. Barrett: So there is no impact on agencies or program service delivery other than just an internal accounting function.

Mr. Gilleshammer: It is internal to some degree. Also, these people, for instance, work with municipalities on certain programs and cost-sharing claims that exist between the municipalities and that level of Government and the provincial Government.

Ms. Barrett: It is a fairly standardized service delivery. There is not a lot of policy involved in—basically what I am trying to get at is, this is mainly internal and it is dealing with the financial aspects. There is not a lot of program or policy impact from this area.

Mr. Gilleshammer: That is correct.

Ms. Barrett: Thank you, I have no further questions.

Mr. Alcock: Just a quick couple of questions on this one. As I recall the functions of this division, it was the division that kept the records and cut the cheques. It was competently administered and did a good job very quickly and efficiently.

The only question I have then—and I am prepared to pass this item quite quickly—is in the Activity Identification. It says on a number of fronts:

administers the Social Allowances Health Services Program; administers the Municipal Assistance Program; and administers the Social Allowance Health Services Program—no, I guess that is the same, just a repeat of what it said earlier.

The question is: Are all of these simply in the nature of intergovernmental negotiations relative to claims and the flowing of resources, or does this division have any responsibility for client services? Is there any walk-in trade now in this area?

Mr. Gilleshammer: No, there is no walk-in trade.

Mr. Alcock: I am prepared to pass it.

Mr. Deputy Chairman: Item 1.(g)(1)(a) Salaries \$1,892,700—pass; (b) Other Expenditures \$347,700—pass; (g)(2) Program Budgeting and Reporting (a) Salaries \$305,100.00.

Ms. Barrett: Mr. Deputy Chair, under Activity Identification, page 38 in the Supplements, I have a couple of questions of clarification. The fourth paragraph: "Identifies and monitors high risk program areas"—could the Minister explain or give examples of what a high risk program area would be in the context of Program Budgeting and Reporting.

Mr. Gilleshammer: The high risk would indicate areas within the department that are having budget difficulties. This program, Budgeting and Reporting, would identify those areas of the department, draw them to attention and, I would think, work on resolution of the problem.

Ms. Barrett: Is that internal areas of the department, or external or both?

Mr. Gilleshammer: It is within the department.

* (1700)

Ms. Barrett: Could the Minister give us an example of an area in the department that might have happened to?

Mr. Gilleshammer: Maybe I could give you an example. For instance, in the Social Allowances area, if there was an increase in one particular month that seemed to be different from previous months or the same month in a previous year, it would identify that increase in expenditures as to what the anticipated expenditures were and do the appropriate research to identify why there has been a significant change and the impact that it may have as we proceed through the year. So it perhaps can be called an early identification of a problem within the department.

Ms. Barrett: That would have an impact on later Estimates, on the Estimates process and budgeting and monitoring external agencies in that regard. In that particular example, that would then—

Mr. Gilleshammer: No, it is purely an internal look at the department, and it is not mandated to look at external agencies. It just would throw up a flag that there is something that has changed, and the unit that we are talking about would identify the reasons for the change and see whether there is any long-term shift in expenditures that we would anticipate or whether this is just an unusual circumstance in the budget. It would give us that early warning that there has been a change. Hopefully, the report would indicate the reasons for it; and, if we need to make appropriate changes for succeeding months or analyze what has happened, this would give us the data to do so.

Ms. Barrett: In the example that you gave, it was, I believe, Social Allowances, a major blip in the Social Allowance payments was unanticipated. Is that correct that that was the example?

Mr. Gilleshammer: I did not use that word exactly, but just a change from what was anticipated, say, on a monthly basis, and the department through this unit would analyze the degree of the change and perhaps attempt to identify the reasons for it and whether the change is short term or long term, whether we need to change some of our expectations that would be happening in the not-too-distant future. So it is an internal look at financial changes.

Ms. Barrett: Could this department, in its analysis, talk to the departments there, the divisions that are providing this service, so that it would have potentially more than just a financial look at the reasons for the change?

Mr. Gilleshammer: Yes, this branch simply identifies that there may be a financial problem, and then the reaction to that would find its home in the branch that is most directly affected and could well work its way up to the Deputy Minister's office, because it is important, if there is a change of any significance in funding, that we become aware of it and be able to assess any long-term impact it may have. In some cases, there may be some corrective action that could be taken, and that problem would be solved. This particular branch does not do anything but alert us to the fact that there has been

a significant change or a change that may be of a future significance.

Ms. Barrett: There is a phrase in both the Objectives and the Activity Identification that I do not recall seeing in other areas. I may have missed it, but I wonder if you could identify or give me a meaning for "objective third party advice." It is the third party part of it that I am not sure about. Who are the other two parties?

Mr. Gilleshammer: Yes, we had picked a specific operating branch to give you an example, and the example could have been drawn from other operating branches within the department, which in essence report to the executive of the department, the Minister and Deputy Minister. The third party in this case would be this particular branch that identifies through Program Budgeting and Reporting that there has been a change, so they in fact are the third party who become a party to the analysis.

Ms. Barrett: This is the third party, the other two are the program directors, for example, and the Minister or Deputy Minister police that part of the department.

Mr. Gilleshammer: I think you have captured that accurately.

Ms. Barrett: I have no further questions.

Mr. Alcock: Just one quick question, how does this division relate to the others? We have Finance and Management; we have Agency Relations; we have an organization here that seems to also have program budgeting responsibilities.

Mr. Gilleshammer: Some of the other aspects of the department, Finance and Administration, for instance, does the voucher processing. The Agency Relations that we talked about before deals with the external agencies.

This particular branch deals with internal budgeting. The example that we used before is that this branch would indicate to the branch itself or to management that there has been a change in the anticipated budget and alert us to the fact that there may be an impending problem with the budget within that particular branch.

Mr. Alcock: Pass.

* (1710)

Mr. Deputy Chairman: (g)(2) Program Budgeting and Reporting (a) Salaries \$305,100—pass; (b) Other Expenditures \$21,900—pass.

(3) Human Resource Services (a) Salaries \$852,200, shall the item pass?

Ms. Barrett: Can the Minister, under Activity Identification, explain the recruitment and selection activities? What staff does this Human Resource Services section recruit and select?

Mr. Gilleshammer: I would like to introduce Myra McFarlane, Director, Human Resource Services, who has joined us at the table. The branch deals with the recruitment and selection of staff as it pertains to the entire department.

Ms. Barrett: I apologize. My attention was elsewhere. Could the Minister repeat the answer?

Mr. Gilleshammer: The branch conducts recruitment and selection of staff for the entire department.

Ms. Barrett: I assume that the departments make requests for classifications. If a department or a division within the department wants to make a change in a classification, does that come through the Human Resource Services? Do they then make a decision on that reclassification?

Mr. Gilleshammer: The classification or reclassification comes through this particular branch, but ultimately it goes to the Civil Service Commission where the decisions on reclassification would be made.

Ms. Barrett: The Human Resource Services branch, as you say, conducts the assessments of the classification requests then?

Mr. Gilleshammer: Yes, if there is some discussion with program directors on changes in classification, it would be discussed through this branch, but again I would repeat the ultimate decision goes to the Civil Service Commission.

Ms. Barrett: Mr. Deputy Chair, could the Minister explain how this service facilitates the resolution of grievances, what the process is or procedure?

Mr. Gilleshammer: Yes, I am told that if it is a formal grievance that it is subject to The Civil Service Act, that there are three steps that are taken in the grievance, and that there is an attempt at resolution of the grievance at every step. I would expect that from time to time grievances are resolved and, ultimately, it could go to an independent arbitration for resolution. If the Member wants more detail, perhaps we could bring that back at another time.

Ms. Barrett: No, I think the steps are clear enough, and I can look up the specifics in the Act.

Does the human resource service individual act as a mediator in this process then, to try and keep the grievance from having to go through? Is that the facilitation process between the staff and the management?

Mr. Gilleshammer: I am told the mediation attempts are made prior to it reaching these three steps and that at every step along the way, there are attempts to resolve the issue prior to it going to arbitration. So the mediation is attempted in the early stages of the grievance.

Ms. Barrett: Mr. Deputy Chair, is it possible to get a listing currently of how many grievances there are in the department and at what stage they are?

Mr. Gilleshammer: I am assuming you are looking simply for a number?

Ms. Barrett: Yes.

Mr. Gilleshammer: Since last January there have been some 24 grievances that have emerged within the department, and we do have a breakdown of where these 24 grievances are. At the current time there is one at the first step, which is with the supervisor; there are two at the second step, which is what is referred to as middle management; and there are four at the third step, which is at the deputy or designate level. There are three at arbitration. Of the 24, if you are doing your arithmetic, there are 14 that are pending, which gives you an accurate break out of those 24 at the present time.

* (1720)

Ms. Barrett: Mr. Deputy Chair, could you clarify what pending means? Are they in some sort of limbo, are they before, in the middle of the process, or at their end?

Mr. Gilleshammer: Yes, I am told that the 14 that are pending are at the initial stages where they have indicated the possibility of grieving, but that formal procedures have not yet commenced.

Ms. Barrett: Mr. Deputy Chair, is there a sense that this is an average number of grievances to be in the system, or lower than average, or higher than average?

Mr. Gilleshammer: I am told that it appears to be an average year. There are some 1,850 employees and 24 grievances at this time.

Ms. Barrett: Mr. Deputy Chair, I would like to talk just a bit, or get some information, on the training modules and staff training and development needs. I think I am very strongly in favour of that kind of

activity on the part of the department. I wonder if I could get a little bit more explanation of how much is currently being done, which elements of the staff are using these training modules, and in what areas are they?

Mr. Gilleshammer: The training modules that much of the work has centered around are Affirmative Action and management training.

Ms. Barrett: Does the Human Resource staff provide these training sessions or use the modules upon request of program manager or someone in the department, or is there a regular sort of training that everyone goes through? Is it pro-active or reactive?

Mr. Gilleshammer: Yes, a little bit of both. Program managers will identify some needs and senior management also will identify some needs where these training modules would be beneficial.

Ms. Barrett: Could the Minister talk a little bit about what would be in the Affirmative Action training?

Mr. Gilleshammer: With the Affirmative Action within the department and with senior staff, it is the identification of processes, the discussion of the concept of Affirmative Action and to simply enhance the promotion of affirmative action within the department.

Ms. Barrett: That sort of segues into my next question. The Affirmative Action training is done with senior staff and helps them to be able to facilitate and attain the Affirmative Action goals. Is that correct?

Mr. Gilleshammer: That is correct. It identifies areas of affirmative action and with senior management helps to promote the concept and the implementation of affirmative action.

Ms. Barrett: Could the Minister put some figures to the Affirmative Action goals?

Mr. Gilleshammer: Yes, I can do so. The total number of employees in the department, as of September 30 of this year, was some 1,898. Of that number, 598 are male, which is 31.5 percent, and the remaining 1,300 are female, 68.5 percent.

An Honourable Member: Hear, hear! Good job.

An Honourable Member: Not necessarily.

Mr. Gilleshammer: Thank you for the support.

Some Honourable Members: Oh, oh!

Mr. Gilleshammer: So the 20-year target of Government, of course, is 50 percent. We have an

imbalance there, of course. With Natives, we have 89 currently in that global number, which is 4.7 percent. The Government target is 4.3 percent, so this department is above that target. The physically disabled, there are some 53 that work within the department. The Government target is 2.3 percent, and we are at 2.8 percent. The visible minorities, there are 55. The Government target is 2.6, and we are currently at 2.9 percent.

So in all of those areas we are exceeding the Government performance target. I would just add one note of caution to the statistics that these in some instances are the self-declared which perhaps might create an error in the realistic figures, but I would think a very small one.

Ms. Barrett: Mr. Deputy Chair, the numbers, the percentages that you have listed, you say that for example the Native employees are currently 4.7 percent. Is the 4.3 percent the Government target or the Government performance?

* (1730)

Mr. Gilleshammer: I may have misled you there. It is the Government performance. The target is actually 10 percent.

Ms. Barrett: Mr. Deputy Chair, I thought that might have been. Could you give me the Government target for the physically disabled and visible minorities as well, please?

Mr. Gilleshammer: Yes, for the physically disabled, the target is 7 percent, and for the visible minority the target is 6 percent.

Ms. Barrett: Mr. Deputy Chair, may I ask how the targets were arrived at? I know in the case of the physically disabled, Estimates are, and again they are Estimates because of self-definition and other factors, but Estimates are that the physically disabled in Manitoba make up upwards of 13 percent of adults. I know they do not make up that much of the entire population, but upwards of 13 percent of the adult population, which is the universe we would be looking at for employment. Can you explain the discrepancy between the target and the actual population?

Mr. Gilleshammer: I am told that these targets were established in 1983-84 and that there was a 20-year target to achieve these. The Government targets were determined based on the group's percentage distribution and Manitoba's population. So those targets worked out to: women, 50 percent; Natives,

10 percent; physically disabled, 7 percent; visible minority, 6 percent.

Ms. Barrett: I guess just an editorial comment. I understand the difficulty in moving these percentages up. It does seem to take a long time to make these changes, but perhaps there should be an ongoing monitoring of the changes seeing as how the population has changed. I would imagine there is a fair bit more than 6 percent visible minorities in the province now, as we have had a midterm census done in '86. Just a recommendation, it is almost seven years since these targets were established; it might be good to take a look at them.

Mr. Gilleshammer: Well, yes, the point is well taken that these were 20-year targets. I expect this is a long process to make these changes, because I think the Member is well aware that attitudes are much different in 1990 than they were in 1983 when the targets were set. Obviously the department is exceeding the Government performance at this time, but we still have a long way to go. I appreciate the Member recognizing that progress can be slow in some of these areas.

Ms. Barrett: I am not sure if the Minister would have available this next statistic, but it would be interesting. Is it possible to get a breakdown not only by the total department but the level at which these positions are occupied? I am hesitating because I cannot give, like clerical, administrative, professional, technical, managerial. I do not know that is how the salary ranges are, or the salaries are—if those are available.

Mr. Gilleshammer: The information that the Member seeks is not readily available and would require some work by the department, but we will try and provide that for you. It is one of those items that may not be available before the Estimates for this department ends, but we will make every effort to get you some figures on that.

Ms. Barrett: Mr. Deputy Chair, I appreciate that and I am not requesting that I would need it immediately. I, however, do think that if we are setting goals as a department that Affirmative Action goals are one element. As well I note that, for example, women make up almost 60 percent of the employees of the department, but I would imagine that they are disproportionately reflected in the lower-paid areas. That is the sort of thing I am looking at.

It would be good to have, I think, a breakdown so that the department knows where its affirmative action targets are located and so it is not only affirmative action in the department, but ultimately all of the target groups are spread throughout the department. I am not for one moment suggesting that is something that is going to happen overnight. I do think that if you are going to monitor progress, the information should be available in that format.

Mr. Gilleshammer: Maybe I can provide you with a little more additional information at this time on Affirmative Action statistics as it relates to women. The number of women in senior management positions in the department is 15, which is 36.6 percent of the total senior management positions.

Ms. Barrett: Mr. Deputy Chair, I have just a couple more questions. Could the Minister give us information on the current status of educational leave? If educational leave comes under this heading, how many people have requested or have been granted educational leave and again in what salary categories?

Mr. Gilleshammer: We do have some statistics that I can read into the record for you under educational leave and assistance.

In the Administration and Management Services the number of requests is 7; in Income Security there are 4; in Child and Family Services there is 0; Day Care Youth and Employment Support is 6; Rehabilitation and Community Living is 1; for a total reported of 18 who requested educational leave and assistance.

We also have professional training and development. In Administration and Management Services there are 24; in Income Security there are none; in Child and Family Services there are 2; in Day Care, Youth and Employment Support there are 41; in Rehabilitation and Community Living there are none. That gives you a total of 67 requests for professional training and development. My understanding is that these are taking place.

* (1740)

Ms. Barrett: Mr. Deputy Chair, could you very briefly explain what professional training and development is? Is that something that is internal to the department, while educational leave is, I would assume, time off for an employee to pursue education outside the department? Is that an accurate general—

Mr. Gilleshammer: The educational leave—and we reported 18—tends to be people who leave to take additional education. The professional training and development would be professional courses that people access during the course of the year.

Ms. Barrett: Is it possible either now or at some later date to break these down by the salary, the categories like Managerial, Professional/Technical, Administrative Support, or is some—

Mr. Gilleshammer: In the educational leave category, senior management, there was zero, middle management there was zero, and the 18 positions were all field positions. In the professional training and development, there was one at the senior management level, four at the middle management level, and 62 were field staff positions.

Let me just clarify something with the educational leave and/or assistance. Most of the people that I identified in there are gaining assistance from the department as opposed to being away for educational purposes.

Ms. Barrett: They are being subsidized financially to take courses or a course of study while they are still employed, so it is like night courses or—

Mr. Gilleshammer: That is correct.

Ms. Barrett: I just have one other question. I have noted in reading the Estimates of last year, in discussions and some information about different staffing positions that my understanding is, you can have—most of the positions are filled through the Civil Service process, but that there is something called a waiver of competition so that you do not have to go through the Civil Service competition. I am wondering if you can give me just a bit of background about when a waiver of competition would take place. Who would authorize it, and how many have occurred over the last year?

Mr. Gilleshammer: The waiver of competition is something that there are very few of. There are an estimate of six to eight cases per year. There are two circumstances in which this may happen. One is where a candidate clearly demonstrates to be the best person to do the job; secondly, where there is the redeployment of a person. In all cases, these are audited by the Civil Service Commission.

Ms. Barrett: When you say audited by the Civil Service Commission, does that mean that the Civil Service Commission says, yes, this is a legitimate waiver of competition, or no, or is it an after-the-fact audit?

Mr. Gilleshammer: The director of personnel is able to do this, and the auditing takes place after the fact.

Ms. Barrett: Yes, would we be able to find out which positions were filled by a waiver of competition?

Mr. Gilleshammer: I know the Member realizes we do not have that information with us, and we will try to provide her with that information.

Ms. Barrett: I have no further questions in this area.

Mr. Deputy Chairman: (g)(3) Human Resource Services (a) Salaries \$852,200—pass; (b) Other Expenditures \$55,100—pass.

(4) Information Systems (a) Salaries \$786,800.00.

* (1750)

Ms. Barrett: It is 10 minutes to six. Would it be in order to suggest that it be seen as six, or would you like to go until six?

An Honourable Member: Let us go until six. The gentleman is here.

Ms. Barrett: This item, I think, is clear to me, but I am not sure. It seems clear to me when I read the objectives in the Activity Identification, it is computers and that kind of arcane, very essential systems. I have no quarrel with or any questions about any of that; however, when I get down to the expected results there are some questions that I have in that area, questions in all four of the expected results on page 42, three Income Security systems. Could I have a brief description of those Income Security systems? It looks like some of it is the income tax statements. I guess what I am asking is what is the ongoing maintenance? What does that mean?

Mr. Gilleshammer: Mr. Deputy Chairman, I would like to introduce Karl Sproll, who is the Director of Information Systems who has joined us at the table.

This would refer to social allowances, CRISP and 55 Plus.

Ms. Barrett: So those are the three systems that are referred to in this?

Mr. Gilleshammer: That is correct.

Ms. Barrett: The ongoing maintenance simply means that the information is updated, and it is monitored to make sure that recipients are actually receiving their benefits?

Mr. Gilleshammer: Yes, that is correct.

Ms. Barrett: Mr. Deputy Chair, the second information system is a human resources information system. Could the Minister explain what information is on that information system?

Mr. Gilleshammer: That would be the computerized listing of our staff and deals with payroll, classification and training.

Ms. Barrett: Mr. Deputy Chair, and the client financial reporting system for rehab and community living?

Mr. Gilleshammer: This is a program that is just being developed. It would indicate information on the day programs that are in existence, the community residences and the per diems.

Ms. Barrett: Information on, could the Minister give me a little more detail on what kind of information is on or will be when this system is in place?

Mr. Gilleshammer: This program is currently being formulated on clients in the system. For instance if they are in community residences, we would anticipate it would indicate to us information about that, whether they are accessing a day program and other information that would help in assisting us in our planning.

Ms. Barrett: This program is just being developed, that is my understanding. What has been in place before this program?

Mr. Gilleshammer: Yes, there were simply records that were updated manually and files on this information.

Ms. Barrett: So this is not particularly putting together new information? It is just changing the base from manual to computer.

Mr. Gilleshammer: That is basically correct.

Ms. Barrett: I guess the same general question on the enhancement, the Commitment Accounting system, Child Day Care system, Government vehicle system and vocational training system, I would assume that there are programs in place since you are enhancing them. It is on computer, and it is just being—what is happening with it? How do you enhance this?

Mr. Gilleshammer: Yes, enhancing them by providing more information on the system on the various clients and parts of the department that you referenced.

Ms. Barrett: Mr. Deputy Chair, the continued development of the Child and Family Services

Information System, could I get a status report on that system and what it will or does include?

Mr. Gilleshammer: We are just at the very beginning stages of this and reviewing what kind of system we want to put in place. This is something that I am very interested in, something that we are going to be turning our attention to in the coming months.

Ms. Barrett: Mr. Deputy Chair, the initiation of development of the Vital Statistics system, I would assume, from those words, that there is no Vital Statistics system in place now?

Mr. Gilleshammer: That is correct. That work has been done manually, and we are in the process of developing a computerized system in that area.

Mr. Deputy Chairman: The hour is now 6 p.m.

Committee rise.

SUPPLY—LABOUR

Madam Chairman (Louise Dacquay): Order, please. This section of the Committee of Supply will continue to deal with the Estimates of the Department of Labour. Would the Minister's staff please enter the Chamber?

We will continue with 2. Labour (c) Fire Prevention: 2.(c)(1) Salaries \$1,707,000—pass; 2.(c)(2) Other Expenditures \$779,700—pass; 2.(c)(3) Engineering and Technical Services \$432,100—pass.

2.(d) Conciliation and Mediation Services: 2.(d)(1) Salaries \$364,300—pass; 2.(d)(2) Other Expenditures \$47,100—pass.

2.(e) Pension Commission: 2.(e)(1) Salaries \$252,800—pass; 2.(e)(2) Other Expenditures \$58,800.00.

Mr. Steve Ashton (Thompson): I just wanted to ask which stage we are at.

Madam Chairman: We are on page 132, under consideration is item 2.(e) Pension Commission, line 2.(e)(2) Other Expenditures, \$58,800.00.

Mr. Ashton: Thank you, Madam Chairperson. In terms of the operation of the Pension Commission, what I would like to ask the Minister is whether there are any changes to pension regulations or legislation that are currently being contemplated.

There have been a number of issues that have come up in recent years in regard to legislative standards. I note in Ontario for example the new Government

there is looking at indexing pension plans. It is likely to be part of their throne speech.

* (1430)

I would like to ask whether there is anything being contemplated or being looked at by the Pension Commission either in regard to indexing of pensions, other issues related to pension surpluses.

We did bring in legislation in Manitoba a number of years ago that would further prevent surpluses from being drained from funds, making sure they are for the benefit of employees—just generally what changes if any the Minister is looking at in terms of pensions.

Hon. Darren Praznik (Minister of Labour): Madam Chairperson, as the Member for Thompson may be aware, within the last year the Pension Commission has reviewed a number of possible changes to The Pension Benefits Act with a view to publishing a public discussion paper offering options for administrative—and I underline administrative—improvements.

I can tell the Member for Thompson now that we have just within the Department of Labour at the Deputy's level received the report, are in the process—just beginning to review it. In fact I believe we have not even had a chance to deal with it yet, and the report at this time is not public.

Mr. Ashton: Madam Chairperson, I certainly would urge that our pension legislation continue to be updated in Manitoba. I have raised them in the past, the two specific issues of indexation.

I think I was particularly concerned, given the major increase that has taken place in the cost of living. We have seen a jump from 4.2 percent to 5 percent, and the degree to which pension plans are indexed is far less than most people realize.

I would point to that specific concern and also to the continuing concerns in regard to the whole area of pension surpluses, and I look forward to the Minister reporting back on those issues and other pension standard issues.

I know we have had a number of legislative amendments including during the last Session in regard to pensions, but this is one area where the Department of Labour does play a very key role. I know there were many changes brought forward in the 1980s to update our pension legislation. I would look forward to any further review that the Minister would conduct and also any information he could

provide. I realize he is not in the position to do that now. I am not asking for that, but I would ask that he undertake to keep Members of the Opposition up to date in terms of any review.

Mr. Praznik: I will undertake, when the report is released to the public, to ensure that critics of both Opposition Parties receive a copy of that report.

Madam Chairman: Item 2. (e)(2) Other Expenditures \$58,800—pass; 2. (f) Pay Equity (1) Salaries \$173,500—

Mr. Gulzar Cheema (The Maples): I know that last night the Member for St. Johns (Ms. Wasylycia-Leis) did ask questions on pay equity. Can the Minister of Labour tell us when they are going to have the pay equity for all health sector employees? Why, as in the agreement they were supposed to have as of October 1 of this year, have they delayed the implementation of the pay equity?

Mr. Praznik: Just to define a little further the comments and the question by the Member for The Maples.

The first part of pay equity in the health field, under The Pay Equity Act, provided for those 23 institutions. The details as to actual payment, I understand that process is far advanced, should best be put to the Minister of Health (Mr. Orchard) as the actual physical payment of the pay equity compensation will be coming through the Health Services Commission.

With respect, I believe there was some question about extending beyond that. As I indicated yesterday to the critic of the New Democratic Party, the Member for St. Johns, that extending pay equity beyond those 23 institutions was always contemplated and something that will be carried out through the regular discussion and negotiation process between the commission and those other facilities in the province.

Mr. Cheema: My next question is what is the plan of this Minister and this Government to include all of these facilities, and what is their time frame to make sure that all the health care professionals—because it is very difficult for one health care professional working in one facility and paid more than the other—when are they going to have the implementation and the time frame?

Mr. Praznik: I think just for the edification of the Member for The Maples, if one goes back to the days of the previous administration when that particular Bill was undertaken, before I was even in

this Chamber, I understand that the reason for only including 23 institutions had a lot to do with the complexity of pay equity issues, and to work it out on the largest institutions and develop models from there which, once completed, would then move towards the other institutions in the health sector.

I do not think it was ever the intention of any Party in the Legislature at that time, on passing that Bill, which this Party supported as well, to exclude or create a two-tier system. The normal discussion and negotiation process is now beginning. I understand that is in the purview of the Minister of Health (Mr. Orchard) and the Health Services Commission as that department is charged with the actual implementation of that part of pay equity.

Mr. Cheema: Madam Chairperson, can the Minister tell us how far we rank among the other provinces as far as the pay equity is concerned in the area of the health sector?

Mr. Praznik: Madam Chairperson, I tabled last night in the Chamber a rather complex assessment on a sheet, which I believe was tabled with the Clerk, outlining various sectors and where various provinces were in that area of implementation. I would refer the Member for the Maples (Mr. Cheema) to that tabled document, because I think it would give him all the specifics he requires. We have another copy of it here, and I would perhaps provide it to the Member for the Maples. It has been tabled.

Mr. Ashton: Madam Chairperson, the area of pay equity is an area that is of particular concern to us as the Minister is, of course, aware from the number of questions yesterday from the Member for St. Johns (Ms. Wasylycia-Leis). We have a continuing concern about the degree to which pay equity is going to be implemented in the province. We believe it has been successful, but what I would like to ask the Minister, one of the mandates of this particular section of his department is to monitor the progress in terms of the implementation of legislation and is to provide information educational services in regard to pay equity. Specifically, I think what has to be recognized is, the mandate of this section is not strictly to deal with pay equity within Government; it is also to promote the principle and practice of pay equity to employers, employees, bargaining agents and the general public.

What I would like to ask is: what analysis, if any, has been done; what information has been compiled

from the experience of pay equity here in Manitoba; and specifically, whether the Minister can table any documents that are being used as part of this promotion, the mandated promotion by the department on pay equity in terms of the private sector? I am interested in brochures, reports, any type of information he could provide to this House.

* (1440)

Mr. Praznik: Madam Chairperson, it is my understanding that to date the department has, for the information of Members opposite, distributed approximately 500 information kits, has published a newsletter with a circulation of approximately 10,000, and we are also in the process of publishing a booklet, *Negotiating Pay Equity*, which forms the fourth in a technical series. I would offer to critics of both Opposition Parties, if they would like this material, we can certainly make it available to them, the whole gamut of material that has gone up from the Pay Equity office. As well, there is some material that is in the process of being prepared and printed, and when that is available, Members opposite can certainly have access to that as well, very freely.

Mr. Ashton: I would like ask further, too—and I appreciate the opportunity to obtain that information. I would like to ask the Minister, when pay equity was brought in, in Manitoba, it was brought in a way that was far more comprehensive than in any other jurisdiction at the time. It was a pretty ambitious timetable. While it was agreed to in principle in the House, it was subject to a great deal of criticism. I remember the current Minister of Justice (Mr. McCrae) used to talk about the spectre of pay equity police when he was in Opposition. I remember the comments well. There were many criticisms made by the Conservatives, when they were in Opposition, about the whole process of pay equity and the fact that it might disrupt the workplace and create difficulties.

What I would like to ask the Minister is, in light of the experience we have had thus far—and I am asking it under this section, because this section of the department, one of its roles is to monitor the progress. I would like to ask the Minister whether he can indicate whether its the opinion of his department and himself, as Minister, whether pay equity has been successful in its implementation in Manitoba thus far?

Mr. Praznik: Yes, Madam Chairperson, when I assumed the responsibilities of Minister of Labour

and went through the extensive briefing process with my department, I was particularly interested in pay equity, from a personal standpoint, in assessing our success to date. The advice I was receiving from officials within my department is that on the whole we have been quite successful in implementing it.

There are some observations, of course, that have to be made, and one is that the model we have used in the province, particularly in the health institutions, is most successful in large organizations, particularly if they are unionized, where you have a bargaining agent with which to deal.

As one gets away from those larger institutions or a collective bargaining type situation where you have one entity with which to deal, it gets much more difficult, as I am sure the Member appreciates.

Mr. Ashton: I appreciate the Minister's comments on the beneficial advantages of collective bargaining and union representation. I am sure that will be appreciated by those who do work on a daily basis to attempt to attain first settlements and, of course, in the public sector. All equally work in terms of pay equity.

What I would like to ask the Minister, further to my question, is going beyond this. The Minister seems to be fairly positive. I am very pleased with that in terms of the experience of pay equity in the public sector.

We have a major disagreement in terms of policy. Our Party believes that we need to move into legislation to bring in pay equity in the private sector. His Party disagrees with that, as do the Liberals.

I would like to ask though, since one of the roles of this section of the department is to develop and assist in the implementation of a voluntary model of pay equity in the broader public sector, and also to deal with school divisions, the City of Winnipeg, and also to deal with the private sector, has a role beyond dealing with pay equity in the currently legislatively mandated implementation areas, how many jurisdictions will there be in terms of school divisions, the city or private sector institutions that have, through working with the Department of Labour, on a voluntary basis introduced pay equity into the workplace?

Mr. Praznik: Madam Chairman, firstly with respect to the comments from the Member for Thompson (Mr. Ashton) about differences of opinion, as I indicated in a response to a very similar question

last night from the Member for St. Johns (Ms. Wasylcia-Leis), one of the realities of implementing pay equity in the private sector is that 90 percent of the employers in the province have less than 10 employees.

When you look at the standards that are being used in our model, the 10/70 percent rule, where you have to have a category of employer with at least 10 employees, 70 percent of which were of one sex or the other, in order to provide you with a comparison of female-dominated categories within a workplace versus male-dominated categories within a workplace, the reality is probably the vast majority of public sector employees in Manitoba would not be eligible. One would not even be able to do the calculations for that.

So although there may be a difference in opinion in that this Government has consistently said we would not implement it by legislation in the public sector and the Members opposite have said that they would, the reality is to the number of people who would be affected by that; it is probably quite small.

With respect to groups that have come forward, three school divisions in the province have approached our Pay Equity Bureau for assistance. We are currently having some discussions with the City of Winnipeg. As I indicated last evening, I will be meeting with the mayor of the City of Winnipeg on the 3rd of December to discuss this particular issue. We have had a number of requests from employer groups and individual employers for information on pay equity in the workplace. The specific details of those requests, I would have to get from staff, if the Member so desired.

Mr. Ashton: Obviously we have a system that was developed with the implementation in the Civil Service in mind. I am not disputing some of the difficulties of applying that to smaller employees, but surely the Minister is aware of the fact that there are still a significant number of employees working for employers that do employ more than 10. I would appreciate the exact information that the Minister could provide. Even if 90 percent of the employers have less than 10 employees, that does not mean that 90 percent of the employees in the province work, and that is a very significant difference.

One of the approaches behind pay equity in the private sector is that by shifting the payment patterns, Madam Chairman—I do not know what is

going on here, but if the Minister of Northern Affairs (Mr. Downey) can contain himself. What I want to ask, to the Minister, he mentioned a number, is it a significant number? Are we talking 5-10-15-20? I am not worried about exact numbers. Are we talking about 100s? Are we talking about 1,000s of employees?

By the sounds of the answer that I just received, it sounds like a very small number of private employees who voluntarily sought to implement or even requested information on the implementation of pay equity. That is indeed one of the concerns we have in the New Democratic Party that if one follows the voluntary model, you will not get the implementation of pay equity.

He mentioned three school divisions. There are significantly more than three school divisions in this province and obviously the vast majority have not approached this department in regard to the implementation of pay equity. So to get the assurance, I will get that detailed information and also ask if the Minister would provide the latest information the department has in regard to the number of employees employed by employers in various different categories as assigned by the number of employees per firm. What percentage of Manitoba's employers have more than 500, 100 to 500, 50 to 100, 10 to 49? We can use that breakdown, because that is quite significant.

As I said, if a significant percentage—and my understanding of the statistics are that a significant percentage of people do work for larger employers where pay equity can, with perhaps a modified form of the existing system, be applied—I think the arguments of the Minister would have to shift away from questioning the feasibility to questioning the desirability, and that is quite a different approach.

I can accept the philosophy of the Conservative Party in saying it should not be introduced on a mandatory basis in the private sector as being their statement of principle, ideology, et cetera, but to suggest that it is not feasible, I think, is perhaps begging the question. I would appreciate whatever information the Minister could provide in regard to that breakdown, in terms of employers.

* (1450)

Mr. Praznik: Madam Chairperson, just to add, when I mentioned 90 percent of the firms in the province being under 10 employees, that is one segment. Obviously, in order to be able to do the kind of

determination that has some meaning, you have to have categories of male-dominated, and female-dominated positions in order to do the comparisons within the individual organization, because I am sure the Member for Thompson (Mr. Ashton) would agree that the critical part of pay equity is ensuring pay equity within an individual workplace, within an organization as opposed to right across the board comparing one organization to another.

I would suggest to the Member for Thompson that in the case of many, many larger firms, where there are large work forces that provide that kind of operational base to do the comparisons within the organization, that those firms often are unionized, and pay equity, and the establishment of rates for various occupations is part of that collective bargaining process. I would hope that the various labour organizations and their umbrella organizations are embracing pay equity with the same vigour as we, as legislators, are and working those into their collective agreements as they are negotiated.

I will undertake today, Madam Chairperson, to have the department ascertain what material we have and provide it to the Member for Thompson (Mr. Ashton) and the Member for the Maples (Mr. Cheema) when we are able to do that, put the material together.

Mr. Ashton: Madam Chairperson, in terms of private sector employers, I think the Minister would also have to recognize that you run into difficulties where you have different bargaining units. In the case of Hudson Bay Mining and Smelting, for example, there are a significant number of bargaining units. The trades are all represented separately, the steelworkers. In the case of my own community in Thompson, yes, indeed you have one union, one bargaining unit, but many employees are excluded from the bargaining unit. Staff, for example—and staff includes clerical staff, professional staff—are not included.

In fact, if you were to look at Inco in Thompson, the female-dominated classifications are not unionized. In the case of a number of employees, I know they have a CWS system, comparative wage study system, but that is not a pay equity system. It attempts to evaluate, using whatever scale, a Hayes method or whatever type of method is used by the particular employer, but it does not necessarily provide for pay equity.

What I would like to ask the Minister specifically, quite apart from the contacts, I would appreciate the information, could the Minister indicate how many private employers, what percentage of the private employers—and if you can do it by category it would be appreciated as well—currently have a voluntarily introduced system of pay equity in this province? How many private employers have implemented pay equity in Manitoba under the current voluntary system?

Mr. Praznik: Yes, Madam Chairperson, for the edification of the Member for Thompson (Mr. Ashton), I have been advised by my department that the United Steelworkers, through their Co-operative Wage Study, have done a fair bit of work in that area of comparing wage categories within plants not necessarily represented by their union.

I just raised that, because I think the labour movement is tackling this particular issue in plants. I would be pleased to have my department provide what information we have on that particular wage study, because I understand our department was involved in some discussions with the steelworkers on that matter, and the Member may find it interesting and useful.

With respect to the Member's question on how many private sector employers have implemented pay equity, as I am sure the Member for Thompson can appreciate, this department would have no way of ascertaining an accurate number simply because of what would go on in a private workplace, many of them headquartered in Ontario, for example, there is no requirement that they report to us the implementation of a pay equity plan, et cetera. We really do not accurately know those kinds of numbers.

I am advised as well that we have approximately 45,000 public and private sector establishments in the province, which is a fair number. Even if we were to have our staff dedicated entirely to that purpose of canvassing them or to enforcement, it is a rather major problem.

I appreciate very much the concern of the Member for Thompson (Mr. Ashton). I think our Premier has said very clearly that it is not the intention of this Government to legislate pay equity in the private sector. Although our two Parties have a disagreement on that, perhaps that debate is better left for another time. We can agree to disagree.

Mr. Ashton: Madam Chairperson, we have mechanisms in place to develop statistical information, quite extensive mechanisms. We can determine the number of employees in particular sectors in the economy, we can determine information in terms of unemployment, et cetera.

If the department itself does not have the resources to undertake direct gathering of statistics or cannot use the other statistical gathering systems that are in place, I want to ask the Minister: Will he at least consider surveying the private employees, because in many ways, this gets back to the same sort of argument, the same debate we had yesterday in terms of final offer selection?

The Minister is saying that his Government, this Conservative Government, will not bring in pay equity in the private sector. As I said, that is a fair statement of their policy.

What I am suggesting is: What information do they have to suggest that the current process of voluntary implementation of pay equity is working? Is their commitment to not bring in pay equity in the private sector based on the assumption that whether it is working or not, on a voluntary basis, there should be no implementation period?

Our belief in the New Democratic Party is that in principle it should be applied in the private sector. We do not believe the voluntary system is working. It was always intended that the next step after the public sector would be the private sector. In Ontario, they did make some moves so that the system was somewhat faulty in terms of private sector pay equity, and this is a province that is much larger than us, where the implementation obviously would be fairly difficult.

I guess what I am trying to determine is, is there any information or has the Government any intention of gathering any information on the extent to which the private sector is implementing pay equity on a voluntary basis? As I said, it does not have to require anything other than a survey. There are various different ways of gathering statistics. One can require reports from all employers; one can serve a specific employer.

I am asking this question because the mandate of this section of the department is very, very clear. It is: "To promote the principle and practice of pay equity to employees, employers, bargaining agents and the general public." It would seem to me that to be able to promote the principle and practice in the

private sector you would at least have to know where you start from.

The Minister mentioned the CWS system. I realize that does bring in many of the principles of pay equity, and I realize the extent to which unions have attempted to implement that, but that kind of information is, once again, part of what I am looking for. I am bringing up some of the difficulties and the fact that you do have people who are excluded from the bargaining unit, and there is no requirement on the employer to, for example, in the case of Inco, pay according to pay equity scales for employees who are excluded from the bargaining unit, although obviously that will have some influence.

I guess what I am asking is, if that information has not been available, will he make a commitment, as a new Minister looking ahead to, obviously, one of the key policy debates in the next number of years, to obtain at least some information on the extent to which we have pay equity in the private sector?

Mr. Praznik: Madam Chairman, I certainly am committed to obtaining what information we can. What I have been doing is trying to point out to the Member for Thompson (Mr. Ashton) some of the difficulties and one, obviously, that is there. When I listen to the Member for Thompson's comments on pay equity, I am not totally sure whether his Party stands for sectoral pay equity, or individual shop, or individual workplace pay equity.

One of the great difficulties in gathering information, although you can look at comparisons within sectors and stats on wages from Statistics Canada that are compiled, pay equity, except in the health sector—one exception—has always been viewed as a mechanism or an evaluation within an individual shop or workplace, comparing female-dominated categories within that shop or workplace with male-dominated categories within that shop or workplace, and not comparing the same categories from one workplace to the other.

* (1500)

What makes it so difficult is obviously we have 45,000 enterprises, private and public, in the province and the person power that would be required to do a very extensive and probably accurate assessment of those shops just does not exist. I am committed, and I make that commitment to the Member for Thompson (Mr. Ashton) today, to do what we can within the resources of our department and within what material is accessible

to us to monitor and evaluate implementation of pay equity in the private sector.

Mr. Ashton: I appreciate that, but once again, I think the Minister is making certain conclusions, is getting ahead of himself in terms of looking at the situation with regard to pay equity in the private sector, because he mentioned by the number of employers that employ less than 10 people.

Obviously, options are available in terms of the extent to which pay equity applies to all employers, or only to large employers, or the extent to which it is phased in, the extent to which you can use different systems depending on the size of employers, the extent to which the implementation amongst larger employers will, through its impact on the marketplace, impact on wage rates with the smaller employers because obviously that is going to be a factor.

If secretaries, which is an area which is generally a female-dominated classification, receive increases under pay equity classifications amongst larger employers, obviously smaller employers are going to be paying the market rate, and the market rate will be adjusted according to that.

So I raise that, but I also want to go further because, once again, one of the mandates of this section of the department—I will read it to the Minister, it is from his detailed Estimates, I know he is aware of it but I want to read it on the record—is that it “develops for the Minister responsible a full range of policy options for future directions of implementation in sectors outside of the scope of existing legislation.”

I would like to ask what range of policy options has this section of the department developed for the Minister, and currently what policy options is he considering at this point in time?

Mr. Praznik: Madam Chairperson, staff within the Pay Equity Bureau and the department certainly spend a fair bit of their effort in studying these issues and gathering information and preparing options for myself and for the Cabinet, but one must always appreciate that the implementation of pay equity is an incremental process.

The prime area of concern under The Pay Equity Act has been into implementing that, extending that and moving to education which myself and the Minister of Education (Mr. Derkach) are now working toward, and taking one step at a time in each area. The Member for Thompson is asking us,

with respect to the public sector, which is obviously somewhere down the line in terms of our resources that are available for this. He has asked us about education, he has asked us about health care, and those are the areas we are concentrating on. It always was the intention to do the implementation of pay equity in an incremental way, and we are on schedule and on our path.

Mr. Ashton: I just want to emphasize for the Minister the role of this section of the department, and that is to develop a full range of policy options, your future directions outside of the scope of existing legislation. I would like to ask the Minister, has his department developed options in regard to the implementation of pay equity in regard to—and I will list them and he can respond separately on each perhaps. In terms of school boards, health care work is not currently covered under the legislation, Government-funded agencies, independent agencies and probably most significantly, in terms of numbers, the private sector; have a full range of options been developed in terms of each of those areas?

Mr. Praznik: Madam Chairperson, the department has certainly looked at workable models in a variety of those areas and as we move through the process and concentrate on other areas, other models and options will be put forward to those of us who have the role of being policymakers and decision makers in the process. So, yes, the department is fulfilling its mandate as prescribed in the Supplemental Estimates.

Mr. Ashton: Still with the private sector. Has the department developed options in regard to implementation in the private sector, or has the Minister, or previous Ministers, directed the department not to consider options related to implementation of pay equity in the private sector because of some of the commitments that have been made by the Government, by the Premier, not to implement mandatory pay equity in the private sector.

Are those options being considered, or have they been precluded by statements as the Minister indicated were made by the Premier?

Mr. Praznik: I reiterate for the Member for Thompson that our Premier has indicated on many occasions that it was not the policy of this Government to implement pay equity in the private sector by way of legislation.

Consequently, the department is continually looking for ways of providing information and material to the private sector to assist in the implementation of pay equity on a voluntary basis. We are fulfilling our mandate, and we are fulfilling the policies as given to us by our Premier.

Mr. Ashton: In other words, a full range of policy options has been precluded, in terms of the private sector, by the statements that were made by the First Minister about the policy of this Government?

I raise this question, because I want to get some sense of whether this Government was even considering what, to my mind, would be the logical approach in this, which would be at least to have an open mind, to look at what is happening in the private sector currently, relating to my previous questions, and to look at options.

I want to stress again that it says a full range of policy options. I cannot see how this section of the department can live up to that mandate according to what the Minister is outlining. I appreciate his frankness in regard to this, because if clearly they have no ability to develop this full range of policy options, that is a fair statement of the Government policy.

I think that has to be clarified for the record, and I would like to give the Minister the opportunity to very clearly state whether this full range of options is being considered, or whether indeed some of those options have already been precluded by this Government.

Mr. Praznik: Providing a full range of policy options is not, I think, what the Member for Thompson is suggesting that it is. What in fact the department is doing on an ongoing basis is in the areas that we are concentrating, providing us with accurate information, size of organizations, models that will work. That kind of data that is required, as they are doing with respect to the private sector now in terms of providing the assistance and the fact sheets and the informational material for implementation of pay equity on a voluntary way in the private sector.

The department is fulfilling its mandate. The Premier has indicated that it would not be a policy of this Government to implement pay equity in the private sector by way of legislation. The department continually provides us with good information, with models, assessments of employers information to those who are looking at implementing pay equity,

the options that are available to them in implementing it.

* (1510)

As the Member for Thompson has indicated in this House, or suggested in this House, there are a variety of models depending on size of organizations and structures of organizations. The department continually provides the options available and the circumstances with which we are dealing.

Mr. Ashton: I think it is clear that the Government is not considering a full range of policy options, because one of the most important policy options available to this Government, regardless of which model would be adopted, but the option of proceeding with mandatory, legislated, pay equity in the private sector has been precluded. That is the only way I can interpret the comments of the Minister.

I am not trying to put words into his mouth or misinterpret what he has stated—(Interjection)—well, for the Member for Portage (Mr. Connery), whose record on pay equity was an abysmal one, as it was in the rest of his department, if he would just look at the statement. This existed when he was the Minister. He perhaps did not read this particular section of his own department's mandate, but it says a full range of policy options—policy options. It relates specifically to areas outside of the scope of existing legislation—the private sector.

I guess I want to indicate my disappointment that this Government, as we have already seen in terms of final offer selection, where it has refused categorically to conduct any sort of real investigation into whether it has been working or not here in regard to pay equity, has precluded another very significant option once again for policy reasons, ideological reasons, if you like, their own right-wing ideology. That is a reasonable thing, I suppose, to expect. I do not think there has been any hiding of that fact, but unfortunately there is some difficulty with this document.

In fact, I would like to ask the Minister, given the reality of the fact that this department is not able to consider a full range of policy options for future directions and is not really in the position to provide that information to the Minister, will the Minister perhaps, at this point in time, take the opportunity to state on the record that this Government, regardless of what is happening in the private sector, will not

consider that, and that really this mandate of the department, which had existed previously, was put in place as a direct part of the recognition when public sector pay equity was brought in, the fact that the next step was going to be, as I said, school boards, municipalities, outside funded agencies and then the private sector? This kind of information had to be made available, so that the Minister of the department could be planning for the next step.

In reality, what we are seeing, at least when it comes to the private sector—and we are not sure in terms of outside funded agencies yet. We are not sure, in terms of the next step, in terms of school divisions, the extent to which it will be implemented. At least in the case of private sector pay equity, that has been excluded.

I will ask the Minister, I mean, if he will not adjust the mandate of this department to reflect the reality, so that perhaps in other Estimates, we will not spend the time discussing what obviously is falling on deaf ears with the Government, because we will be raising the question of private sector pay equity.

I want to indicate to the Minister, if he is not willing to develop the legislation, our caucus will develop the legislation, our Party will. We will bring it in as a Private Member's Bill, if necessary. We will do that sort of work. Will he now admit that the original mandate of this department can no longer be fulfilled to its entirety because of the fact that this Government has precluded one of the major policy options, mandatory private sector pay equity?

Mr. Praznik: Madam Chairperson, no, I will not make the admission that the Member for Thompson (Mr. Ashton) would like me to make. What I take out of the remarks from the Member for Thompson is that we, as elected Members, as Government, whose job it is to make policy decisions, to give direction to departments, are to be driven by options prepared within our departments.

I was not elected to have all of my purview, as a Member of Government, decided by options put forward by the department. The option to implement pay equity by legislation is always an option. It is always available.

The Premier (Mr. Filmon) has indicated that it is not an option. It is the intention of this Government to choose. If the Member for Thompson (Mr. Ashton) is suggesting that the department should be continually pushing that option forward in front of the Premier, then I do not think he appreciates the role

of departmental people and of ministerial responsibility.

Madam Chairperson, we may agree to disagree on the implementation of pay equity in the private sector. The Member for Thompson has indicated that his Party will bring forward a Private Member's Bill to implement pay equity in the private sector. He is free to do that. If he so desires, he is free to bring to it toward this Legislature. We have indicated that we will not. The best time to pursue this debate will be when that Bill comes before the House. I would think that the matter is very clear. We are on different sides of the issue, and I do not think that this particular time is the time to debate that. This Minister and this Government are not driven by options only that are put forward behind us, nor should the staff of the department, as the Member for Thompson would imply, continue to push forward options in front of the Premier. The Premier has made a decision as to where the Government would move, or not move.

Madam Chairperson, the option to implement by legislation in the private sector is always there. At some point, Government may choose to change its mind, I think not. The Premier has indicated our position, and it always is an option. If at that time we choose that option and choose to have research and numbers prepared for us, then we will so instruct the department.

Mr. Ashton: I am fully aware of the role of the department, of Ministers, et cetera, and I am not suggesting that the Minister and the Government abdicate its role, its responsibility to make policy decisions, but the mandate is very clear. It says to provide a full range of policy options. It is clear from the Minister, especially in contrast to yesterday when he said a full range would be considered, for example, on Unemployment Insurance, employment standards Act, ranging from not doing anything to changing the current Act in Manitoba to reflect the new leave provisions in the UIC Bill.

I am really saying to the Minister—and perhaps we should not pursue this debate now, we should pursue it at a later point in time. I am prepared at this point to pass the Estimates through in this section, but I really am saying to the Minister that I believe it is the role and the responsibility, yes, of his Government and himself as Minister to make the policy decisions, but it should be based on a number of things. Yes, principles, ideology, if you like, but

also the facts, what is happening now, what is going to happen.

The fact that women in the private sector receive about 66 percent of the wages of men on average. That, by the way, is in contrast to the public sector where the percentage is 80 percent. That is still not good enough, but it is still substantially better than the private sector. That is why we are so concerned about the private sector, because it is the only real way that we can deal with a fundamental inequality that exists. The women receive 66 cents out of every dollar compared to every dollar that men receive. I do not want to belabour the point, but the bottom line of what we are saying is, yes, make the decision based on principle and ideology, if you like, but also look at the facts of what is out there and look at all options, and do not preclude, keep an open mind, keep an open mind on private sector pay equity. My advice to the Minister is do not be distracted by some of the fear that may exist in the business community, that perhaps existed even in the public sector before pay equity was introduced.

The Minister, just a few minutes ago, just about 25 minutes ago, indicated that in the public sector it is working by and large, it is working. Some of the fears expressed, for example, by his own colleagues in Opposition—and of course I realize he was not a Member of that caucus at that time—talking about pay equity police, have not arisen, and that public sector pay equity by and large is working. I am raising that, because I am asking the Minister to keep an open mind and to fulfill the true mandate of his department. If pay equity is working, I think he should be taking a pro-active role with the private sector of promoting it, certainly on a voluntary basis, and promoting it within Government.

* (1520)

I think it is fully within his mandate as Minister of Labour to go to the Premier (Mr. Filmon) and tell the Premier if he feels so, to recommend to the Premier, that he change the policy, that he bring in pay equity in the private sector, that he bring in mandatory pay equity in the private sector. It is within his mandate to do that. Obviously the final decision is made by the Cabinet and the caucus, and I am fully aware of that. No one is suggesting that the department make the policy decision, but the fact is the mandate of the department is to give a full range of policy options. That has been precluded by the Government, and we will be continuing to raise that point as we

continue to discuss pay equity, whether it be in the public or private sector in the upcoming months.

I am prepared to pass the departmental Estimates, but this is not the last time we will be talking about pay equity. We will certainly be raising more detailed questions on Civil Service, but I want that point to be very clear to the Minister.

Madam Chairman: 2.(f) Pay Equity (1) Salaries \$173,500—pass; 2.(f)(2) Other Expenditures \$94,000—pass.

2.(g) Apprenticeship and Training (1) Salaries \$965,400—pass; 2.(g)(2) Other Expenditures \$128,700.00.

Mr. Ashton: Yes, I want to ask the Minister what discussions he has had, and his department has had, with the Department of Education in regard to the impact of some of the cutbacks that are taking place within our community college system. I realize that part of that is an impact that the reduced federal funding available, but what impact those cuts are going to have on the ability of the community college system to provide the educational component of Apprenticeship and Training in Manitoba?

Mr. Praznik: I am pleased to tell the Member for Thompson that all the apprentices who have applied for apprenticeship training have been trained to date, and will continue to be.

Mr. Ashton: Will there be any impact of the reduced funding that is going to be given to community colleges in terms of the ability of providing training for apprenticeship? I realize the community colleges provide much more than that. They provide other courses not related to the apprenticeship program. Is the Minister saying that there will be no impact on the reduced budgets, for example, at Keewatin Community College, or at Assiniboine, or Red River Community College, because of the reduced budgets that those sections of the Department of Education will be receiving?

Mr. Praznik: Madam Chairperson, as the Member for Thompson may or may not know, federal training dollars that have provided for the apprenticeship program have been frozen at the 1985-86 levels for the past number of years. Despite that withdrawal to the system we have managed in a very frugal department to still provide the training necessary for all of the apprentices who have registered for training, and we will continue to do so. I speak fairly regularly with the Minister of Education and Training (Mr. Derkach) on matters where departments meet

together, and I can assure him that we will continue to provide that training for apprentices.

Mr. Ashton: I have a question in regard to the possible future construction of Conawapa. One of the programs that was implemented as part of training for Limestone was an apprenticeship section. Many apprentices were indentured during that period. The intent, obviously, was to provide the work experience along with the educational component and give people the opportunity—if not under Limestone, because of the limited period of time that was available, under Conawapa, the next project—to be able to complete an apprenticeship.

As the Minister may or may not be aware, there were a number of journeymen that had completed their apprenticeship training even before the completion of the Limestone project. I had the opportunity to attend a graduation in Thompson in regard to that.

What I want to ask is: What discussions are under way to ensure that there is going to be some emphasis on the training, particularly of aboriginal people and Northerners, generally, in terms of apprenticeships at the Conawapa dam allowing, in particular, people to be able to obtain their journeyman status through the work experience and educational component?

Mr. Praznik: Yes, Madam Chairperson, I share very much with the Member for Thompson his concern that Conawapa provide successful training opportunities for apprenticeship in the North or for residents of the North. When one looks at the success of the Limestone Training and Employment authority or educational authority, the LTEA, where with respect to apprenticeship training, of the 720 applications submitted by LTEA under pool agreements for apprenticeship, I believe that only 19 or 20 had actually received their training. So there is great concern with respect to apprenticeship from the way things were handled at Limestone and the very, very poor success rate with respect to apprenticeship in the Limestone Training Program. We hope that Conawapa, with respect to apprenticeship, will be more successful.

I should tell the Member for Thompson that myself and other Ministers who have areas of responsibility that will be affected by Conawapa will be working on an interdepartmental ministerial basis to ensure that as many opportunities as possible are secured from the Conawapa construction project.

Mr. Ashton: Well, I do not accept the suggestion that there was a failure in regard to apprenticeship in terms of Limestone. That was only the first step. It takes usually up to four years, depending on the level at which people enter as apprentices and particularly given the fact that many Northerners, many aboriginal people, have not had the opportunity or did not have the opportunity prior to the Limestone to even get some credit for the type of work experience and education and training they had received previously. Quite obviously, many people entered at the initial stage.

So what I am looking for is not a quick suggestion which I will dispute that somehow apprenticeship training in the Limestone project was not a success. It was just incomplete. I think everyone that was part of that process, including the apprentices, was fully aware of the fact that the second stage is most important. I do appreciate the fact that the Minister has indicated there is a working group, if you like, of Ministers. I would just ask that be a major priority.

I also have another question, and the Minister perhaps, in view of the fact that we only have about three minutes left before we break, may wish to respond on my first comments and also the other question.

I have had a concern expressed to me in regard to examination of apprentices. This resulted out of contact from an individual who was tested on a 1985 exam recently on material that was not included as part of the course curriculum. In fact he was advised by the instructor at the community college afterwards, when he took the exam, that much of the material on this particular exam was now obsolete, was not taught as part of the current curriculum. That has resulted in that individual failing that exam and having to now look at taking the course work over again at considerable personal inconvenience and cost, since the individual resides in Thompson and would have to go to Winnipeg. I am raising this because this is a similar concern that has been expressed to me by other individuals.

I want to ask whether the Minister will undertake to ensure that departmental staff are providing current exams, exams based on current material, not as in this particular case, five-year-old course material that is now no longer being put to use in that particular trade.

Mr. Praznik: Yes, Madam Chairperson, I can commit to the Member for Thompson that it is always

the intention of our branch to use as current as possible materials for training, for testing, et cetera, and I would acknowledge very candidly to him that there were some problems in the Apprenticeship and Training Branch. Problems that, not under my tenure but under the tenure of the Honourable Gerrie Hammond, were looked at and being worked on by senior staff in the department. We are hoping to continue looking for ways to improve the function of that branch over the next while. It is a very high priority with me as Minister. I should point out to the Member for Thompson as well that there was an increase of some 23 percent or \$206,300 for that particular branch over the 1987-88 year, and that certainly will go a long way to helping alleviate some of those problems. So his concerns are appreciated, and we have been in the process for the last year or so and will continue to be in the process of addressing them and improving that branch.

* (1530)

Madam Chairman: The hour being 3:30, what is the will of the committee?

Mr. Ashton: Madam Chairperson, I just have one more very brief comment and then we can pass through all the items up to the Labour Board, including the Labour Board.

Madam Chairman: The Honourable Member for Thompson.

Mr. Ashton: Yes, just on that point. I will provide the information to the Minister on this particular case because he has now requested the opportunity to rewrite the exam with a current exam, which I think is a reasonable request, but I would appreciate if the department could look into that. Other than that, I appreciate the comments of the Minister in terms of the Apprenticeship Branch, and as I said we are willing to pass this section and the section of the Labour Board and the next time we sit we will deal with Workplace Safety and Health.

Mr. Praznik: I would like to thank the Member for Thompson for those comments.

If he would provide us with the specific information confidentially, if he can provide it to the Deputy Minister we will certainly endeavour to sort that specific case out. I thank him for that information.

Madam Chairman: Item 2.(g)(2) Other Expenditures, \$128,700—pass.

2.(h) Manitoba Labour Board: 2.(h)(1) Salaries, \$475,800—pass; 2.(h)(2) Other Expenditures, \$219,100—pass.

Resolution 106: RESOLVED that there be granted to Her Majesty a sum not exceeding \$7,626,500 for Labour for the fiscal year ending the 31st day of March, 1991—pass.

Item 3. Workplace and Worker Services, \$6,697,200.00.

Mr. Ashton: Madam Chairperson, I would suggest at this time that we recess. The next department is Government Services as was outlined by the Minister of Health (Mr. Orchard). So we will be into this item when we are next into Labour, which will probably be this Thursday once again.

Madam Chairman: Is it the will of the committee that the committee recess and the Committee of Government Services be considered at this time? Agreed.

SUPPLY—GOVERNMENT SERVICES

Madam Chairman (Louise Dacquay): Order, please. This section of the Committee of Supply will be dealing with the Estimates of the Department of Government Services. We will begin with a statement from the Minister responsible.

Hon. Albert Driedger (Minister of Government Services): Madam Chairperson or Madam Chairman or Madam Chair—maybe before I start I should establish how I can properly address you. If you have no preference, I will call you Madam Chairman, how is that? Okay.

As an introduction to my department's Estimates, I would like to discuss major initiatives for this year. These include business programs, trade barrier reductions, sustainable development and a major capital project as well as others.

My department has recently introduced the Western Purchasing Information Network in Manitoba. This network provides updated and tender information to suppliers through a computer link. Demonstration seminars have been held and information sent to businesses throughout Manitoba. This information network is proof of the Government's commitment to increased opportunities for Manitoba suppliers.

We also implemented the Western Trade Barrier Reduction Agreement in Manitoba and we are

working with other provinces on a national agreement.

The area of sustainable development has also been a major thrust for the department this year. We introduced paper recycling in six Government facilities and we will be expanding this program to more buildings in the near future.

The Purchasing Branch is also working on increased purchase of environmentally sensitive products. The department is using these types of products more and more in its daily operation.

The Fleet Vehicles Branch is active in sustainable development initiatives, the using of recycled oil and recycling old tires. In addition, Property Management continues to work on energy conservation and effective cost savings in this area. As a central service agency we have a contribution to make in the area of sustainable development and we will continue to develop further programs.

Our Capital Program for this year includes a very important project. Work has finally begun on the construction of the new \$23 million Remand Centre. The new facility is expected to be ready for occupancy in the summer of 1992.

Through all of these new initiatives, my department has continued to strive for quality service at the most economic cost. I am proud to introduce these Estimates today because they reflect our commitment to quality and cost efficiency. We have held the line on spending while continuing to provide a high level of service to our clients.

One area with a significant reduction in spending is Gimli Properties. We are continuing to finalize the transfer of this facility to the R.M. of Gimli and this has resulted in a reduction of approximately \$1.5 million in our 1990-91 base budget.

In closing, I would like to thank the Government Services staff for their hard work and commitment and we will commit ourselves to work toward the best mix of service and cost efficiency for the Government. Thank you.

Madam Chairman: We will now have the reply by the critic for the official Opposition, the Honourable Member for Selkirk. Is it the will of the committee—leave.

Mr. Gregory Dewar (Selkirk): Rather than go into a specific reply, I would suggest that we proceed with the Estimates process.

Madam Chairman: The critic for the Second Opposition Party, the Honourable Member for Inkster.

Mr. Kevin Lamoureux (Inkster): Yes, Madam Chairperson, I would just like to make a few opening remarks in response to the Minister's statement that he has made this afternoon.

* (1540)

One is in regard to the information services or the Western Purchasing Network. I think that is a positive step and it is encouraging to hear that the Government is starting to move in that direction, because ultimately what we want to be able to do is get the best deal for the Government on purchasing whatever is necessary in order for the Government to continue ahead.

The paper recycling program is something that the Government has talked about. I can recall the former Member for Wolseley who was very high on recycling and had convinced our caucus—I must say it did not take too much convincing but he did manage to convince our caucus—to venture into recycling our paper at the caucus level, and this is something that the Government in the Legislative Building picked up on six months later and came up with a program. To their credit, I am glad to see that they noticed a Liberal initiative in that sense.

I also wanted to comment on the Remand Centre, which is of course the major capital—I understand the only capital—expenditure in terms of building construction from this department in the upcoming year. The Minister, himself, said we are looking at occupancy in 1992. Madam Chairperson, the Government has been well aware of the needs for a remand centre for the past several years. Some would argue, including our current critic, that that centre was needing to be replaced five, six, seven years ago and the previous administration failed to recognize that fact but, to some degree, the current Government time after time did announce that they were going to build a remand centre, but failed to materialize on their announcement.

Once again, we have received the announcement -(interjection)- The Member for Portage (Mr. Connery) says it is going up. I hope it is going up because it is long overdue. Let us hope that this will be the last announcement, that the next announcement will actually be possibly an invitation to Members, such as the Member for St. James (Mr. Edwards) to come and be present for the ribbon

cutting ceremony. We have heard enough about the building coming up; let us get the building up and start cutting the ribbon.

In terms of the Gimli Properties, we have some very strong opinions on that as we get into the Estimates line-by-line. I will definitely be asking the Minister some questions in that respect. Thank you.

Madam Chairman: Thank you. I would remind Members of the Committee that debate on the Salary for the Minister, 1.(a) is deferred until all other items in the Estimates of this department are passed.

At this time I would like to invite the Minister's staff to take their places in the Chamber.

Mr. Driedger: Madam Chairman, I would like, at this stage of the game, introduce my staff. I think probably all of you know my staff. Deputy, Eric Harbottle, Sally Walker, Paul Rochon, Stu Ursel. Stu is the fixer.

Madam Chairman: Item 1. Administration (b) Executive Support: (1) Salaries \$176,500—pass; 1.(b)(2) Other Expenditures \$37,500—pass.

Item 1.(c) Management Support: (1) Salaries \$299,500.00.

Mr. Lamoureux: Madam Chairperson, this is from where I understand you get the freedom of information. I am wondering if the Government has had requests for freedom of information?

Mr. Driedger: Yes, we have had requests for freedom of information. I do not know how many cases. Let me just check. We had seven requests, five were granted, one was denied, and of one we have no record.

Mr. Lamoureux: I am wondering if the Minister can just enlighten me. I do not know if he can say what the requests were. I am more interested in the one that would have been denied, or if he can tell me why it would have been denied. Was it an outrageous request?

Mr. Driedger: Madam Chairman, we had a request, I cannot give the name, but this had to do with information that affected a third party in terms of some business arrangements. It could have put somebody in an unfair competitive position, and for that reason it was denied.

Madam Chairman: Item 1.(c) Management Support: (1) Salaries \$299,500—pass; (2) Other Expenditures \$17,800—pass.

Item 1.(d) Finance: (1) Salaries \$663,700—pass; (2) Other Expenditures \$58,000—pass.

Item 1.(e) Human Resource Services: (1) Salaries \$510,500.00.

Mr. Lamoureux: Madam Chairperson, I am interested in knowing, the Government last November came out with the policy on decentralization in which we have seen a large number of Government employees decentralized to rural parts of Manitoba, I would ask the Minister to what degree his department was affected by the decentralization plan?

Mr. Driedger: First of all, I do not know whether the Member is asking for specifically what elements within my department of Government Services are affected by decentralization, or actually what involvement my department has in terms of the implementation of decentralization.

I might add, or give indication to the Member, that when this initiative was brought forward by the Government, we established a Decentralization Committee. If the Member will look in the Estimates, there is a section where it says Decentralization, and the Chairman of that is the Member for Arthur-Virden (Mr. Downey) who is going to be chairing that end of it.

However, I might indicate that from my department's point of view, we are involved through Government Services in terms of the acquisition of property, in terms of the actual proposal calls, looking for property in communities where decentralization is taking place. From the perspective of my department itself, part of the Decentralization Initiative has been the moving of the Land Acquisition Branch from Winnipeg to Portage la Prairie.

Mr. Lamoureux: Can the Minister say, in terms of numbers, how many people would this have moved over?

Mr. Driedger: Madam Chairman, we have a total of 45 people that are involved in Decentralization, 38 are from Land Acquisition, and three are from Disaster Assistance Board, and four are in District 2 Management Area.

Mr. Lamoureux: All three areas were moved to Portage la Prairie?

Mr. Driedger: Madam Chairman, the 38 from Land Acquisition are being moved to Portage, and three

are moved to Morris or will be moving to Morris, and four have moved already to Selkirk.

* (1550)

Mr. Lamoureux: Madam Chairperson, of the 38 from the Land Acquisition that are moving to Portage la Prairie, when is the Government or the Minister expecting that move to be completed?

Mr. Driedger: Madam Chairman, we anticipated the move to take place by September of '91. However, because of space, we are looking at different space for the Crop Insurance in Portage, and if they vacate this building then probably Land Acquisition will move in there. So we are in the process right now of seeing what is going to happen with the Crop Insurance Department. If we can get that resolved, then we would move into that building or in their space as indicated. If not, then we have to look at a proposal call possibly, so that deadline of September '91 might not be met.

Mr. Lamoureux: Can the Minister tell me, of the 38 that have been told that they have to move to Portage la Prairie, how many of them have actually moved or are planning to move?

Mr. Driedger: Madam Chairman, nobody has actually moved, but we have a team that basically is working with areas or departments that have been identified—yes, departments, I suppose. Once they are identified and we have a team that, by and large, goes and makes contact, they work together with the Department of Labour to some degree to make sure that those that do not want to move, that they have various options for them in terms of redeployment, various options to make sure that their jobs are secured.

I had a chance to meet with the Minister of Labour (Mr. Praznik) and people from the MGEA—Mr. Olfert was involved—and they raised the same questions in terms of how many people are disenfranchised, and how many are going to be without a job and stuff of that nature. I think they found the report very acceptable. I have not got the details. You will have to get that from the other arm of Labour somewhere along the line that is looking at how many would be affected, because we are looking at the total package of I think 100 and some, 140 or 150 that are being moved. The first stage was about 140 to 150 people, and the second stage was the balance of them with the target date being September, 1991.

There is an ongoing negotiation, as this thing takes place, in terms of people who feel they do not want to move. We will look at redeployment; we will look at different options for them.

Mr. Lamoureux: I want to focus on the 38 individuals from the Land Acquisition Department, in terms of the correspondence that the department would have had with those particular individuals. Does the Minister know of the actual number of people, to date, from that department, from the 38, who have said, yes, I want to move out to Portage la Prairie?

Mr. Driedger: Things are not definitive at this stage of the game, but I think 50 percent have indicated that they are prepared to move, and then others, there is an uncertainty yet. Each one has been met with individually, and so there are still decisions that have not been finalized with individuals.

Mr. Lamoureux: The Government, by making the announcement in the fashion that they made the announcement, has scared a great deal of civil servants and their families.

The Minister says, approximately 50 percent have indicated that they want to make the move. That is somewhat encouraging. I must say that I have asked the question previously to some Ministers in the Estimates process, and that is by far the greatest percentage that I have heard for people that want to physically move out.

Maybe what I will ask the Minister is, does he have any idea or indication, because it is Portage la Prairie, from the employees as to whether or not they would take the job over in Portage la Prairie, but not necessarily move? In fact what we will see is that much more traffic on Highway No. 1, more commuters.

Mr. Driedger: I would have to indicate to the Member that we do not really know how many of them would be prepared to commute, and there is no intention to take and try to force anybody to either move or commute.

I must say to the Member that this is something that those places that are closer to the city, I think possibly there would be more people that would be prepared to commute.

I can indicate that I live in a community, an hours drive from here, and most of the teachers who are teaching in that community are all commuting from Winnipeg. Commuting is not that much of a challenge, I suppose, especially when you have a

Government that is very conscientious of building good roads.

Mr. Lamoureux: The whole concept of decentralization is a good concept, but part of the concept means that the people who you are transferring over—many of the towns, in fact, cities, are hoping that they will be jobs in which the people will reside, so you do not have the gas stations picking up a bit of business. The local economy does not necessarily benefit if you have a large number of commuters. There is a big difference between that and having a job filled, let us say, in the town of Portage la Prairie.

What I am interested in knowing from the Minister is, and he, himself, has said that he does not care or I should not say, he does not care. He cares for the people if they have to make the move, but he will not force them to make a move.

I am wondering if the Minister would assure those people from his department, if they have been asked to transfer out of the City of Winnipeg, that if they do not want to accept that transfer, they do not have to worry about future employment at the provincial level.

Mr. Driedger: Madam Chairman, let me first indicate to the Member that I have talked to communities that are closer to Winnipeg, where people are going to be decentralized to. I have indicated to mayors and Reeves that the onus and the challenges on them once they know, the people or the areas, the departments that are moving, it is up to them to try and make these people feel as if they would want to feel welcome in the community and move there, because I do not think that it would be very wise of Government to come down and say, you have to move.

I think that portion is something we certainly would like to encourage. I mean, the whole purpose of decentralization was by and large to try and encourage the growth in the rural area and the smaller communities. I think to address the concern that the Member raises about security of position is the area many of us had major concerns about, Government as well, when we moved in that direction, realizing it would create some consternation and concern about people about their future.

That is why we have a team that by and large makes contact with the individuals, asks whether they are interested in moving. If not, you know what

the other options are in terms of transfers, redeployment, training, whatever the case may be. That part is actually, at least for myself, one of the major concerns I had.

I have to say that I feel it is working extremely well. There seems to be a relative comfort level. Certainly if there was not, I am sure that all Members opposite would already have been heard about it quite adamantly, so it has been working relatively well.

Mr. Lamoureux: Madam Chairperson, indeed we have heard on numerous occasions, and I can actually cite two constituents that live in the riding of Inkster that have been affected by the decentralization plan. I will relay both of them, if the Minister likes.

* (1600)

One of them has been told that she has to go out to Minnedosa. I believe she had mentioned her husband works for a canning firm here in Winnipeg. They do not feel that it is in their best interest to have their children withdrawn from the schools, her husband to leave or her to commute. So her concern is not—well, will I go to Minnedosa.

Minnedosa is a fine place. I have been to it on numerous occasions and will continue to go to Minnedosa but her decision is, by me not accepting the transfer, am I going to have employment at the same level by saying no to the Government. In all fairness to this particular constituent, she has not received the assurances that she has nothing to worry about, that the job will be there. I do not believe that the Government is being as compassionate as we would like to see it.

I think, in part, that is because they came out with the decentralized policy in a bit too quick or rash—they made maybe a possibly rash decision if you will, that maybe it should have been a bit more thought out in terms of the impact that it is going to have on the individuals, on Winnipeg's economy, on the economies that they are proposing these jobs go out to, because, as I pointed out, it is not necessarily going to be a boost to the Portage la Prairie economy when you say 38 jobs are being transferred over there because you will have commuters.

The best decentralization policy I can think of, offhand, is one in which you see the people being hired who are living in the communities, because obviously they want to remain in the communities

and it is important that we provide jobs in the community wherever we can via that mechanism.

The Minister said that there was a committee, a Decentralization Committee, that was established, and I would ask the Minister, what role does his department play in that particular committee? Are they the chairing body?

Mr. Driedger: Madam Chairman, in our case, with the 45 positions that we are involved with, it is my department that by and large is trying to take and accommodate anybody who does not want to move.

I have to differ with the Member because I think that it is being dealt with in a very compassionate type of move. I mean, the idea was never to alienate people that by and large did not want to move, and every effort is made to accommodate them in that respect.

That is why I say again if the Member has isolated cases of concern somewhere along the line, certainly when the department—well, they have a category for decentralization—comes forward, I will certainly make note of it to the Minister involved to have the figures available because it does not come under my jurisdiction.

I do not have the total package, just what affects my department, but I will make sure that information is available under decentralization in terms of exactly where we have a breakdown, which the MGEA actually have already, in terms of the people affected and how it affects them, the ones who, let us say, have been unaddressed, or whatever the case may be.

I, myself, was pleasantly surprised. I thought it was a major concern that I had, at least, and I feel quite comfortable that it is being addressed properly.

Mr. Lamoureux: Madam Chairperson, the Minister mentioned that the MGEA has a copy of all those who are being affected. Do we have a response, or is it possible to get some type of total or running figure, in terms of the total number who are being decentralized, how many of them, or percentage of them have agreed to actually make the move?

Mr. Driedger: Madam Chairman, the Civil Service Commission, I mentioned the Department of Labour and I mentioned decentralization, but the Civil Service Commission I think has all those figures available to them. I will make note of it and then we can notify the Minister responsible. I am sure that he would probably want to get that information out to all Members of the House anyway.

Mr. Lamoureux: Madam Chairperson, the Minister says he is responsible for the acquisition of properties. In terms of the remainder of those that are being decentralized, is the Government looking at having to construct any new buildings to facilitate the decentralization at this point in time?

Mr. Driedger: Madam Chairman, I have no difficulty trying to answer the question now, though this comes partly under Capital. If you want to leave it till then we can deal with it at that stage of the game because we can go into more detail at that time.

Madam Chairman: Human Resource Services 1.(e)(1) Salaries, \$510,500.00.

Mr. John Plohman (Dauphin): Madam Chairperson, I just wanted to ask, since the Minister raised the issue of which employees were being transferred in Government Services, while we are on this line, three disaster assistance staff people moving to Morris, is that correct? What is the rationale for that?

Mr. Driedger: Madam Chairman, it is basically the board, the chairman and the two appointed members who are on the board, that we are looking at moving. There are two positions from the Manitoba Disaster Assistance Board and one secretary who are moving to Morris; they have been designated, but they have not moved yet. It is planned that they would be moving.

Mr. Plohman: These are three staff persons then in addition to the board's offices who will be moving according to what I heard the Minister say, as I understand it in any event. Can the Minister give any rationale for the increased travel costs that these people will incur now that they are located in the southernmost part of the province?

Perhaps he might also want to reflect on where most of their work has been over the last couple of years in terms of disasters. I know they can happen anywhere and you cannot predict, but the fact is the Red River is no longer as prone to flooding, insofar as the damages, as it once was because of all the dikes that have been placed around the communities. It is no longer the primary function of the Disaster Assistance Board to focus on Red River towns. The dikes that have been placed around all those communities and of course the Red River Floodway for Winnipeg have largely eliminated a lot of the flooding that has taken place in the years previous.

I would like to know what the rationale is for moving the three staff people and the office to Morris when there has been very little work up there in the last 10 years?

Mr. Driedger: Madam Chairman, I have no difficulty debating the decentralization move generally. However, it is not within my category and my authority in terms of how these decisions were made. There was a committee struck, a Cabinet committee struck that basically with other people involved made the decision as to what should move where.

Departments were contacted to see exactly what elements of the department could be considered for decentralization. I can get into a debate as to good, bad or otherwise in terms of these decisions, but it was not that this Minister decided that some of these things should go. It was done on a much broader scale than that.

Like I say, we can get into this and ask, why should land acquisition be moved to Portage or, why should some of my service people be moved to Selkirk? These were decisions by and large that were made through a committee in terms of seeing where there is a possibility. Part of the effort was made in terms of trying to see as much as possible that it fit into sort of the kind of requirements for the general area. I think it would be maybe—I am trying to think of examples. It is like sending somebody from the fishing department into my constituency where we have no fishing. You know, that would not make much sense. I am just trying to illustrate. They were looking at some of these things, but I cannot necessarily stand here and defend each move that was made.

Mr. Plohman: Well, Madam Chairperson, maybe the Minister would like to ask that question. It is his staff who are moving, and they should feel somewhat comfortable that it is a rational decision that is being made. It sounds like it was made against his wishes from what the Minister said. He is against that decision. I know the Minister wants to clarify, but I wanted to ask him another point on this.

I am concerned about the additional costs that would be incurred here, not with the principle of decentralization. I believe in that principle, and I think it is a good one. I think that with rational thinking and planning behind it, it can be very positive. However, we will discuss more why, perhaps, it has not been that in this case.

*(1610)

In this particular instance with three of those staff to disaster assistance to Morris, can the Minister provide the committee with some information as to where—over the last say even five years so he would not have to go back too far—the disasters that have been investigated by the Disaster Assistance Board have, indeed, occurred in this province? I believe most of the flooding and so on has been in the Parkland region. I do not believe it has been in the southern area of the province.

I would just like to ask whether the Minister asked for that information when he heard. It seems that this decision was made by somebody else. When he heard that these three were going to move to Morris, was he upset with that, finding that it did not make sense? Did he raise that question with the Cabinet committee when this decision was made?

Mr. Driedger: Madam Chairman, no, I was not upset. As far as I am concerned wherever the board operates out of is basically where the support staff would be. It could be Morris. It could be Dauphin. It could be Timbuktu. It does not really matter, because when a disaster strikes, you know, we have the EMO that clicks in and then we have the Manitoba Disaster Assistance Board that basically sends out the inspectors, does the inspections. It does not matter whether they are located in Morris, whether they are located in Winnipeg, whether they are located anywhere really, because by and large they have their job to do.

These three positions are in support of the board. I am not upset with it, no, because we were looking at things that could be moved outside of the city and that would make sort of sense. Whether the disasters are in the city or anywhere else, I do not think it has an impact as to where they operate from.

Mr. Plohman: Yes, just in closing, you know, we will talk about this more, but obviously where there is a lot of Crown land in the province, it makes sense to move Crown lands into an area such as that, and if there is a lot of forestry activity, some forestry positions, and so on.

In this particular case, the Minister has moved, or his Government has moved, the Disaster Assistance Board to an area that used to be the area where they were engaged with most of their activity because of the flooding along the Red River. That used to be the primary focus of the Disaster Assistance Board. I am saying that is no longer the

focus, since 1979, I believe, the major Red River flood, because of all the rain dikes that have been placed there.

There were millions of dollars spent. I do not know if Emerson finally got their dike or not, but there was a lot of money spent. So they are no longer as prone to the flooding. I think the Minister understands my point that these people have to travel greater distances then and could have been located more rationally in an area of the province where there has been a rather proliferate number of disasters. So I will leave it at that for now, Madam Chairperson.

Mr. Lamoureux: Madam Chairperson, just before we pass this line, I did want to ask the Government in terms of affirmative action, and how this particular department is doing in regard to affirmative action.

Mr. Driedger: Madam Chairman, I might indicate to the Member that in '89 our target was 25 percent, and we achieved the target date and exceeded the target of 25 percent under the affirmative action. That was in '89. We are well on the way in 1990 to do the same thing. Our target I believe was 25 percent there, and we are well on the way to reaching that target.

Mr. Lamoureux: Just a last question before I leave it—because I do not want to go into too much depth on it—is in respect to the total number of the employees in this department, its staffing complement and the percentage turnover.

Mr. Driedger: Madam Chairman, is the Member asking me for all the people employed in the Department of Government Services, because I will try and get that.

I have to indicate we have permanent staff and then we have an awful lot of term staff because of our cleaning projects with all the buildings that we have throughout the province.

The total staff component is 1,196 people.

Mr. Dewar: I would just like, before we leave, is if he could provide us with the total cost of decentralization.

Mr. Driedger: Madam Chairman, we are again into decentralization. I do not have all the specifics at hand, because it really does not come under my responsibility.

My department's responsibility is by and large to try and get accommodations throughout the communities in Manitoba. It is an ongoing thing really. In some cases the departments are finding

the funding from within. They cannot accommodate that. Others again, where we have major components going out, if we cannot find space available, we are looking at doing proposal calls for maybe having buildings built.

I cannot be definitive unfortunately in terms of what the costs are going to be. I just know from my Government Services end of it that the staff are working together with the decentralization group in terms of trying to establish space.

Mr. Plohman: Madam Chairperson, I think the Minister maybe wants to take this as notice for a future sitting—if we have any more on this department—certainly to provide it to the critic and the Opposition Parties, and that is the projected costs for office space. There must be some analysis done by his department on the total space requirements as a result of decentralization.

What is it going to cost to make these moves in terms of space, furniture, the whole thing that is dealt with under this Minister's bailiwick? I think that is a legitimate question, one that the Opposition Parties have a right to know. What is this going to cost his department? Whether it is allocated to the specific client departments is beside the point, it is what the total costs to Government are, because all of that planning will be done by his department.

Mr. Driedger: Madam Chairman, I cannot be specific in terms of the figures that are going to be required. We are looking in possibly millions of dollars, couple of millions. It could vary because we are just in stage one now and we are starting to work on stage two for the September '91 objective. If I could maybe take that as notice to some degree in terms of trying to get some definitive answers, because we are talking pretty ballpark loosey-goosey figures at this stage of the game. We are trying to get some of the departments to take and pick up the slack, in many cases that it is not going to be—I know what the Member is asking. It is a fair question. I just have difficulty getting the right answer for him in terms of specific cost. He has me at a disadvantage because it is under two other arms really, and I am just a small component of this whole program of decentralization.

Mr. Plohman: We realize the Minister is a small component of the decentralization process but it is a year ago since the Premier made the announcement in Brandon, so he has had a full year that his department has been obviously directed to

plan for the space requirements for these moves. By now I am sure he has a handle on those figures, and I am not saying that the staff that are there right now have that information. It may be under another section of the department, so the Minister could provide it at another time.

* (1620)

I just serve notice to him that we would like to get the current projected costs of the moves insofar as space is required for these moves, the space requirements. I think the Minister's department must have crunched those numbers already. They may have even done that before the announcement was made, but if they did not, they certainly should have done it in the last year since the major announcements were made.

Mr. Driedger: Madam Chairman, I am not trying to avoid the question. I am just trying to figure out how I am going to get the answer to the—under Capital when I have some other staff here I think I can probably be more specific. The other thing is, I can probably try and take as notice the question and have my colleagues that play a bigger role in this thing to maybe—I will try and get that information for him. If we do not get through today or whenever we do, I will try and have that information more specifically, or when we get to Capital in my department here and I have some of my other staff here, I will try and be more definitive with my answer.

Mr. Plohman: Madam Chairperson, that sounds reasonable. The Minister keeps referring to the other players in this moving process, but the Minister's department is responsible for the space. That is the component we are asking about now. The Minister's department is also, I think, responsible for the furnishings of these offices. So he should have those costs or projections for it, and as far as the moves are concerned, I imagine each of the client departments pays for the moves. Can the Minister indicate to us whether the persons that desire to transfer, whether their moves are also going to be paid for by the Government or whether in fact they have to pay for their own moves?

Mr. Driedger: Madam Chairman, I will give probably a bit of a partial answer. In terms of the moves, my department pays for the moves of the departmental people. The individual moves are carried by the departments themselves where there is cost involved in moving departments. I can indicate that—I see my staff person around for

Capital—where I think I can probably be more definitive in my answer in terms of some of the costs, if that is acceptable for the time being. I will certainly try and get the information.

Mr. Plohman: In closing, Madam Chairperson, I ask the Minister to not give ballpark figures of perhaps millions of dollars and so on. As he said, that is not nearly good enough. There must be more definitive projections, and I ask the Minister to take that as notice as he has indicated.

With specifics for the total Government cost for all departments, all those client departments that are needing space for so many employees—20 in Carman or 25 in Morden or whatever it is and so many in Roblin and Dauphin and so on—what is the cost of those space requirements? That is what we are asking.

Mr. Driedger: Madam Chairman, I will take that one as notice and get the information as best I can back to the Member.

Madam Chairman: 1.(e) Human Resources Services: 1.(e)(1) Salaries \$510,500—pass; 1.(e)(2) Other Expenditures \$76,800—pass.

1.(f) Systems: 1.(f)(1) Salaries \$322,400—pass; 1.(f)(2) Other Expenditures, \$65,100—pass.

Item 1.(g) Lieutenant Governor's Office: 1.(g)(1) Salaries \$68,300.00.

Mr. Lamoureux: Madam Chairperson, one thing that stood out in my mind when I was going through the line by line here was in regard to overtime. Is there a reason why there would have been overtime, something out of the normal took place?

Mr. Driedger: Madam Chairman, I would like to indicate to the Member that the overtime that he was referring to is for staff when there are special functions. The Lieutenant Governor has many, like when you have evening functions, et cetera, so that is what it is related to.

Mr. Lamoureux: It just seemed to strike me a bit odd that this would be the first time that would show up, because it would have events in previous years. Maybe they had it in a different line. Is it correct in assuming that this is in fact the only appropriation that the L-G's office has, including the L-G's salary? Is everything included in running the L-G?

Mr. Driedger: Madam Chairman, I would like to indicate to the Member that the Lieutenant Governor's salary component comes from the federal Government and this is basically just related

to the operations of the building and the staff. This is the office; this is related to his office over here.

Mr. Lamoureux: If this relates to the office, where would the grounds, his gardens, his upkeep of his own home be?

Mr. Driedger: Madam Chairman, that would come under the next page under Physical Plant.

Madam Chairman: Item 1.(g) Lieutenant Governor's Office: 1.(g)(1) Salaries \$68,300—pass; 1.(g)(2) Other Expenditures \$58,600—pass.

Item 2. Property Management, \$117,409,800, 2.(a) Executive Administration: (1) Salaries \$126,000—pass.

Mr. Lamoureux: Madam Chairperson, this is where I believe the Government made its decision in terms of charging for parking fees, and I am wondering if the Government might want to give some type of update in terms of how they are proceeding from this point.

Mr. Driedger: Yes. If the Members want to, I will give them a bit of an update as to what has happened. It was a little over a year ago, I guess well over a year ago, when the Government of the Day decided we would embark on a paid parking program for our employees in the city area. The rationale for coming forward with that was that we have a variety of parking places throughout the city, including at the Legislative Building here, and the cost of maintaining these parking grounds are pretty substantial.

The program that we embarked on was basically a cost-recovery program. It was the decision of the Government that it was within our jurisdiction to develop a policy in that direction and do it. We proceeded with that, implemented it, and I am sure the Member as well as others probably feel that the organized parking that we have around this building and others as well, is a great improvement over what we used to have at one time. However, what happened is that the MGEA challenged the right of Government to do that. It went to arbitration, and we lost the case through arbitration. As a result of that, we appealed it to the court, feeling that we were within our rights to do that, and subsequently lost the court case.

What had happened was we had put the money into a trust account so that in the event that—this was done on legal advice—we lost the case, that we would then be able to repay it. I hope the Member is very happy for his Christmas bonus. I hope all

Members are. I had actually hoped that maybe instead of giving the cheques back, aside from the employees, but certainly the MLAs might have considered maybe getting together and putting it into a little pool and giving it to the poor people or stuff like that, but I do not get too much response and reaction to that.

However, I have to indicate that we lost the case, and the total amount we paid was \$1,797,657.54. That was for 18 months parking. The fact is we have again, as of October 1, decided to proceed with the imposition of paid parking, taking off the money from everybody who is parking, and I understand the MGEA again is trying to challenge the right to do that. We are going through the same process again where we are putting the money into a trust account, and should a ruling go against us then, of course, I suppose we are going to do the same thing.

I understand that paid parking will probably be, and is part of the negotiations that are taking place with the MGEA at the present time.

* (1630)

Mr. Lamoureux: Madam Chairperson, before implementing this particular program, did the Government consult with any legal advisers or even within his own department to find out what they were doing was, in fact, in violation of the collective agreement entered into by the Government and the MGEA.

Mr. Driedger: Madam Chairman, we had a very strong legal opinion from the outside that indicated it was within the rights of the Government to implement the Paid Parking Program. Based on that, we proceeded as indicated with the caution that in the event something went wrong—that is why we put the money into a trust account, interest bearing trust account, and subsequently have served as a bit of a savings account for people.

Mr. Lamoureux: Madam Chairperson, does the Government know how much it cost them by establishing that fund, if you will, in terms of legal fees and whatever other fees might have been created as a direct result of this particular program being implemented prior to having an agreement with MGEA?

Mr. Driedger: The costs of implementing the program were very negligible. It was basically with legal opinions and some upgrading of some departments, but by and large there was no staff involved. It was all done within the departments.

Each department has designated certain people. We had set up a committee. I have to say they worked extremely hard to try and get this implemented as fairly as possible. I think they did that.

I have to indicate to the Member that when I first took over the Department of Government Services there was a tremendous amount of constant concern and problems that faced me through the parking thing. Since we implemented the organized parking, paid parking if you will, my problems are very minute compared to what they were.

However, there still is the odd case where people are not happy, where people feel that they should have a parking spot. We have tried to do fair allocations. We have representation, as indicated, from all departments, including I think from the caucuses.

We have a committee that reviews on an ongoing basis. The one thing, regardless of whether we pay parking or not, organized parking, we will have. I can assure the Member of that. We are continuing with that. I am trying to allocate space fairly.

I want to indicate that—I do not know whether the Member noticed it that much, but two years ago, before we implemented the organized paid parking, you could not park around this building. I came here on the odd occasion at seven o'clock in the morning. I would see cars pulling in and people parked here and walked into the balance of the city to work, because it was free.

You always have to consider that we have various departments in the downtown area where we pay up to \$100 a month for parking for Government employees. I think the concept of trying to cost recover was a positive one. I feel very strongly about it and will continue to promote that. Hopefully, when a settlement is reached with MGEA, we will have it in place.

Mr. Lamoureux: Madam Chairperson, I, too, concur 100 percent with the need for organized parking. Charging for the parking is something—well, convincing arguments could be made on both sides. I would just as soon have seen the Government, prior to charging or making the policy decision to charge for parking, have done it through a process of negotiations with the MGEA in particular, and possibly consulted with a few others.

The charging for parking, if implemented once again, will it apply to City of Winnipeg or the province at large, wherever there is a provincial parking lot?

Mr. Driedger: Madam Chairman, we initiated the program basically for the City of Winnipeg at the time, because that is where there was more pressure and more concern about the paid parking.

We had an option too, which basically would have expanded to outside of the Winnipeg area. We have not moved on that any further at this stage of the game until we maybe clean up our act here within the city and have things under proper control. Certainly one of the considerations that is going to be looked at is expanding it outside of the city.

Mr. Lamoureux: Madam Chairman, parking is a problem in the downtown area and in that context I would ask the Government, we talk about having paid parking and using the parking facilities that we have. Are there plans to have additional parking facilities built from this administration?

Mr. Driedger: Madam Chairman, not at the present time. Although myself and I think many others have always had some concern about the parking availability around this building and it is all through downtown—everybody is facing that to some degree—at the present time we have no plans in place for expanded parking facilities.

Madam Chairman: Item 2. Property Management.

Mr. Dewar: I have a rather selfish question. I was just wondering when the Members' lounge will be available in this building.

Mr. Driedger: Madam Chairman, I had occasion to talk with the Clerk of the Assembly just yesterday, where he indicated that I would be requested to meet with the LAMC. They had a variety of issues that the LAMC would want to discuss with myself, as Minister responsible for Government Services, and I understand one of the requests was a Members' lounge.

I have to indicate to the Member that at the present time financially things are pretty tight in this building in terms of getting any expanded services. This would be something that when I have the occasion to meet with the LAMC, and I am not saying the need is not there, but I do not whether it would necessarily be a priority of the Government to expend that kind of money at this time. These are things that, like many other initiatives that come forward, will be looked at and discussed. If the

funding is available and if it is that much of a priority, then it would be considered.

Madam Chairman: 2.(a)(2) Other Expenditures \$16,700—pass;

2.(b) Physical Plant: (1) Salaries \$18,492,800.00.

Mr. Lamoureux: Madam Chairman, this is probably the best time to ask maybe a couple of questions regarding the Gimli Industrial Park. I would ask the Minister if he might want to consider giving us some type of an update and for some, maybe even an historic briefing, on the Gimli Industrial Park.

Mr. Driedger: Madam Chairman, I am wondering exactly how much detail the Member would really want me to put on the record at this time. We have a lot of information on this one. I will tell you something. I was quite excited when we proceeded with the agreement with the R.M. of Gimli in terms of selling the Gimli Industrial Park. The reason why, I have to indicate, is that I had the occasion to walk down the street with a \$2.3 million cheque in my hand, and I never was so excited in my life. The only thing is I had to turn it over eventually.

What we did, we came to an agreement with the R.M. of Gimli in terms of them taking over the Gimli Industrial Park. The Government still has properties in there. In fact, we met just last week or the week before that with the R.M. again in terms of them looking at taking over the balance of the properties in the park there, including the training centre that CN has there. We cut the one deal with a good portion of the system there; we still have some properties and we are negotiating with them for the balance of it. However, our responsibility in terms of maintenance in there is now terminated. We do not do any maintenance in there.

* (1640)

On the properties that we own, we still do light maintenance there, like cutting grass and things of that nature. Other than that, we have no more responsibility in terms of staffing. At one time, we had almost between 50 and 60 staff that we had employed at that thing, so that is why if you look in the second page there under Gimli Properties, it gives you an idea what has happened. Last year we still had expenditures of approximately \$1.5 million and this year we have none there.

Mr. Lamoureux: What percentage, if you can put it in terms of percentage and I know it would be relatively hard to, of the park is still in the Government's possession?

Mr. Driedger: Madam Chairman, we have 10 lots in the developed area, and I think two of those are sold now. We have been looking for ongoing proposals on that. At the present time, we are dealing with the municipality in terms of possibly cutting a deal with them for the balance. The reason why they are interested in the balance of it—they feel that they would like to have a say in terms of who is going to develop in there, so that they could take and control it to some degree, hopefully getting the kind of industry to establish in there that would enhance the whole thing. We are talking of infrastructure, sewer and water, heating, et cetera. These are all major costs that we had at one time, and they have taken those over. They feel they want to have positive industries moving in, so that is why we are negotiating with them for the balance.

Mr. Lamoureux: The last thing on this particular line that I want to move into was the development of the 10-year maintenance program of all the Government buildings. The question that I have asked previous Ministers is in regard to school buildings, because I am still not 100 percent clear in terms of school buildings. Are they owned ultimately by the taxpayers? Who has the right to the buildings after they have been declared surplus from the school boards? Does it then become property of this particular department?

Mr. Driedger: Madam Chairman, we basically have no role to play in school buildings, because they belong basically to the school boards. What we are involved in is the community colleges, Red River Community College, ACC and Keewatin Community College. Those are the only times where we would be involved in terms of—those are Government buildings, and we look after the maintenance and operation of these buildings.

When the Member talked before about a 10-year program, we have other Government buildings like the MDC at Portage where we have developed a 10-year strategy in terms of the money that we could be spending there. We have developed a longer term plan for Agassiz Centre. In fact we basically have a tentative 10-year plan for most of the Government buildings.

The Member is probably well aware there is an awful lot of costs involved in terms of making sure that these buildings are kept maintained. In fact, I want to compliment staff. We have developed a bit of a program where we are going to try and address some of these concerns prior to them becoming big

concerns. We feel that, under that approach, we can catch some of these things and save ourselves a lot of money. Staff has been very active in that, trying to see whether we could do some preventative maintenance before it gets to be a major problem, and run into big costs.

(Mr. Jack Reimer, Acting Chairman, in the Chair)

We are talking about a lot of buildings, a lot of maintenance, and so we have some of the older buildings that—of course, once you get so far behind, as we have with the Agassiz Centre, for example, now we are doing a little catch up. We feel that is why we have developed these longer range programs so that we can address them properly, and preventative maintenance is the key that we are zeroing in on at the present time.

Mr. Lamoureux: Instead of continuing to ask questions on this particular line, I would ask the Minister, maybe sometime in the future, it does not have to be in the very near future, being near two months, but sometime between now and the next Session I would be interested in receiving some type of a copy of the inventory of Government buildings, and if they have a priority listing in terms of capital, repairs, if he could.

Mr. Driedger: That is quite an undertaking, in terms of if we look at all the Government properties. Are we talking properties with just buildings on there? What I would offer to the Member is that somewhere from the time that this Session ends and the next one starts, I would arrange for him to meet with staff to give him a better and detailed component of how we operate with these buildings, and maybe give you a list. Government is a pretty big landlord; we have a lot of properties and stuff of that nature. Maybe invite both critics, we could set up a meeting somewhere along the line, and just get a feel for the immensity of what we are facing.

Mr. Lamoureux: I will definitely accept the offer from the Minister. After all, we want to make sure that we are a good commercial landlord.

The Acting Chairman (Mr. Reimer): 2.(b)(1) Salaries \$18,492,800—pass; (b)(2) Other Expenditures \$13,134,800—pass; 2.(b)(3) Preventative Maintenance \$169,500—pass; (4) Less: Recoverable from Other Appropriations \$747,400—pass.

(c) Workshop/Renovations: (1) Salaries and Wages \$2,862,700—pass; (2) Other Expenditures \$253,400—pass; (3) Workshop Projects

\$3,283,300—pass; (4) Less: Recoverable from Other Appropriations \$4,871,600—pass.

2.(d) Leased Properties: (1) Salaries \$43,100.00.

Mr. Lamoureux: Mr. Acting Chairman, in regard to Leased Properties, the Member for Crescentwood (Mr. Carr) made mention, in terms of a drive down Portage Avenue, we have seen how much vacant leased space is available. I am wondering if the Government, when they are looking for additional space, where their priorities are for that space.

Mr. Driedger: Mr. Acting Chairman, I might add to the Member's question the fact that under our leasing arrangements instructions that staff have received we lease as frugally possible, use good judgment and try and get the best deal. We do not care if there is a little bit of blood leaking when we lease; we want the best deal for the Government. That is the approach that we have been taking.

So when departments come forward and say they have requirements in terms of space somewhere along the line, or they have an expanded program or stuff of that nature, we look very carefully in terms of where we are leasing.

* (1650)

In cases where we look at a lot of bigger requirements in terms of square footage, we look at proposal calls. At a time when the market is soft like it is now, it is surprising the kind of proposal calls that come forward. I mean we have very hungry landlords out there—depending on the requirements of the property. The other thing is, we are looking at trying to be very sensitive in terms of as we decentralize to some degree, if space comes available, that we have full utilization of space.

The Member is probably aware that we are the biggest landlord in the province in terms of leasing space, and I have to compliment my leasing staff that they are very intense in terms of trying to get the best deals going. They are very qualified in terms of making sure that we get those kinds of good deals.

Mr. Lamoureux: Mr. Acting Chairman, when we talk about good deals, there are a large number of leases that expire in any given year. I would ask the Minister then, is it safe to assume that we will be seeing a considerable drop in the amounts of money in the upcoming couple of years as a direct result of the landlords dropping the cost of leasing their premises?

Mr. Driedger: Mr. Acting Chairman, I wish I could be positive about that kind of a statement, but that is not necessarily the case. Even though we can possibly squeeze the landlords for the best buck in terms of cutting a deal for leased space, you have to understand that other things enter into the factor with the landlords as well, where they have increased taxes.

It is a complex way, the way we factor the up-front improvements that we have to make when we lease. I do not know how I can fully explain in detail the process that we go through or that staff goes through. That is why we have, we feel, very professional people that know, when we take a building, even if we look at a whole building or if we look at total floors depending on the square footage that is required, when we shop around and ask for proposal calls, there are many factors we have to take into it: The quality of the building; how much up-front costs we have; finding out what the cost per square foot is; and then we have factored costs that go into there; your taxes; you have to have operating cost, tax, interest rates. All these things have a bearing on it.

It is not like if I go and rent a house somewhere along the line and cut a pretty simple deal. When we talk of commercial property, it is a little bit more complex than that, but we feel, by and large, that the way we are operating, at least from the squealing I hear from some of the people we deal with, they feel we are being pretty tough on them. So that, to me, would give me a level of comfort that we are doing our job as good as possible.

Mr. Lamoureux: Mr. Acting Chairperson, in short, I have talked to one particular commercial landlord and he was saying to me that the incentives that he has to give in order to attract a tenant is unbelievable. He cannot recall ever having to give months in order to try and entice someone to enter into a lease, leases, to drop the monthly charges under leases. The question is, are we seeing the drop in the lease, in the monthly charges of many of the commercial properties that we currently lease?

Mr. Driedger: Mr. Acting Chairman, it is not like all our leases come up at one time and we renew them; it is an ongoing thing. As a lease comes up for renewal, we then look at whether there is any further improvements, what the requirements are. So it is not that simple in terms of saying, well, all the leases are up; I am going to squeeze the best buck. We do that as they come up for renewal, because only a

small portion are up for renewal at a time. If the Member is indicating that some individual has been saying that he has had to make all kinds of concessions, in terms of getting his property leased, if he is referring to my arm of Government Services, in terms of leasing, I would be very proud if they were squealing a little bit, because then I know that we are doing a good job in looking after the taxpayers' dollar to the best of our ability. That is basically what we are trying to do.

We talked before about the possibility of having both critics maybe meeting sometime between this Session and the next in terms of getting a better feel for exactly how the system works. I think it has taken me some time to really get to even have a little better understanding of it. It is relatively complex. I look forward to going through that with staff and with both critics to really get a feel for what is happening. If there are suggestions that the Members can make in terms of improving it, we certainly want to look at that, but I think staff, at the present time, is doing a very capable job.

Mr. Lamoureux: No doubt I am sure the staff would be doing a very admirable job. I wish I could have told the Minister that in fact this landlord was applying for Government space, or put in a call.

I have a very specific question in regard to the Legislative Building. Is this the best line, or what line would he suggest I ask it at?

Mr. Driedger: Mr. Acting Chairman, I might indicate that this line is about as good as any line that you want to go at, so let us have it.

Mr. Lamoureux: Mr. Acting Chairperson, the Minister is likely aware of a request that I had suggested to the Government House Leader (Mr. Manness) in regard to additional space inside the building. One of the suggestions I gave was, there is some space that I would classify, to some degree, dead space in the Legislative Building and that being where we have the Tourism on the main floor. There is a large—where you have steel shelving on concrete. I took a look inside and then at the other end there is a boarded-off room which I believe the Department of Education uses as a photocopying room.

The suggestion was: Can we not better utilize that particular space by having something built into it, to create an additional office? The response that I received was that your office did have an evaluation,

and I believe the figure to do it was \$60,000 to make the change. I am looking for verification on that point.

Mr. Driedger: Mr. Acting Chairman, I might first of all indicate the space requirements in this building make me a very busy landlord, because space is at a premium. I think every department would like to have more space and more people than we have in there. When you consider what has happened to Government over the years, you want a little bit of history.

When you look into the office that I am a tenant in right now, in room 203, at one time the big area opposite where I am right now used to be where the employees were, and the Ministers were in the front portion of it. So a lot of things have changed. As more employees came on staff, and we have been moving people out, space is at a premium in here. Almost every department would like to expand and have a little bit more space. I know that the Opposition Members would like the same thing.

I might indicate that when I got elected, and I do not want to necessarily give a history lesson, but when I got here in '77, as Members we did not have individual offices. We all operated out of one caucus office. I can recall, I think out of 34 people, there was a Cabinet of, I believe, 18 or 17 at that time under Premier Lyon. The balance of us backbenchers were then moving around the caucus room and having phones in each corner. You did not have any privacy. So I think in the period of time that I have been here a lot of improvements have been made.

Coming back to the specifics about it, we did a study for space in the basement, not on the first floor, where we had an estimate done. It was in the area of \$60,000 or something like that. The space that the Member is making reference to, I do not know whether we have done any study on that. We will take that as notice and have a look at it.

I would want to indicate that maybe there is some concern about the space requirements at the present time. I would like to think that possibly the situation could improve or get worse after the Session is over. If there are changes coming forward somewhere along the line, there might be a lot more scrambling taking place. So we are sort of trying to retain the status quo until a time when we know what is going to be happening.

Mr. Lamoureux: Yes, Mr. Acting Chairperson, I would suggest that the Minister does look at that as one viable option now that he has heard about it. I

think if you take a look at the cost of \$60,000, and I am sure the department, I do not even need necessarily to say it in the square footage in order to lease the property, would be in all likelihood well worth the investment in the building.

Mr. Driedger: I will give the Member an undertaking that we will have a look at it, and we will reply because it will not happen overnight. We will give you a reply somewhere along the line. Am I correct?

The Acting Chairman (Mr. Reimer): Item 2.(d) Leased Properties: (1) Salaries \$43,100—pass; (2) Other Expenditures \$80,968,300—pass.

* (1700)

Mr. Dewar: Yes, this being the largest expenditure in the department, I was wondering if it could be explained a little further, detailed further?

Mr. Driedger: Could the Member give me a little bit—he is asking under Leased Properties?

Mr. Acting Chairman, I will try and give a breakdown. Repairs and maintenance are \$795,000, utilities, which are gas, water, and heating oil, are \$1 million and then the rental of space is \$61.5 million. Those are Government buildings—that is MPI. The rent real estate, all others, is \$17.5 million and then sundry expenses to the tune of \$36,000 bringing it to a total of a little over \$81 million.

This basically covers all the properties that we have, whether it is Brandon, The Pas, Thompson, whatever the case may be. This is the whole works.

Mr. Dewar: I was wondering if the Government has—what are the Government's plans for the Fort Osborne complex?

Mr. Driedger: Mr. Acting Chairman, it was the Government's intention to try and see whether we could sell the property, the Fort Osborne complex. As a result of that decision, we asked for a proposal call, and giving consideration to the sensitivity in the area of what would happen out there, we had some stipulations in terms of the proposal call. We had five proposal calls that we received on the Fort Osborne complex. The staff spent a lot of time doing the evaluation of it, and ultimately the decision was made to go with College Green. We called the organization, and entered into an agreement with them providing certain conditions were met, including rezoning, et cetera.

The long and short of it was the market turned. We had an option to get out of the deal and so did

they, because the market turned bad on us and they had some zoning problems with it, they decided not to pursue it. The decision was mutual. We both felt the same way so we got out of the deal with them.

At the present time, we are just basically marking time, and in the event the market gets a little stronger we certainly are prepared to entertain some proposal to develop the area out there. There are various buildings of—it was a very complex deal. We have a lot of heritage properties involved. We went through an extensive review of the whole thing, in terms of the proposal calls, which buildings would be retained for heritage value, et cetera, et cetera, together with my colleague the Minister responsible for Culture (Mrs. Mitchelson).

So it was a long process, and then ultimately it still did not work out. So in the future if the market improves and we move on that we still have to give those things consideration.

Mr. Dewar: So revitalization is not an option then?

Mr. Driedger: Mr. Acting Chairman, is the Member saying whether we would revitalize the buildings?

Mr. Dewar: Yes.

(Madam Chairman in the Chair)

Mr. Driedger: This is not an option, Madam Chairman, that we have been—I think we have looked at it and the cost of redoing that by Government I think is substantial. It was felt that it is a valuable property and that possibly if the historical heritage aspect of it could be addressed with some of the buildings that we would be better off to see whether we could have somebody, you know, to develop that property. We do not want to get into the development aspect of it and that was part of the component that was involved.

Madam Chairman: Item 2.(d) Leased Properties: (2) Other Expenditures \$80,968,300—pass.

2.(e) Property Services: (1) Salaries \$322,100.00.

Mr. Lamoureux: Madam Chairperson, under this line, we have disposal of housing units no longer justified to meet the needs of the programs. I would ask the Minister, in terms of what type of housing stock does this branch or this department have, what role does the Department of Housing have with those housing units?

Mr. Driedger: Madam Chairman, I would like to indicate to the Member, the housing units that we are talking about in this category are units that we have basically for the departments of Natural

Resources or Highways used to have that we are getting out of more and more. Like we are getting rid of some of the buildings that we have and I think Natural Resources is as well. These are the kind of units that we are talking about here. It is not related to anything to do with the Housing Minister's responsibility.

Mr. Lamoureux: In large, Madam Chairperson, are these permanent structures or are they mobiles?

Mr. Driedger: Madam Chairman, these are predominantly or mostly permanent structures which we have throughout the province.

Mr. Lamoureux: In terms of numbers, how many are we looking at that the Government has?

Mr. Driedger: Madam Chairman, 92 units.

Mr. Lamoureux: Madam Chairperson, in disposing of the units, does the Minister or anyone in his department consult with the Department of Housing?

Mr. Driedger: Madam Chairman, the normal process when we dispose units of this nature or even property, straight land property, we circulate it through all the departments to see whether anybody has any concern or need for it. If nobody shows an interest or need for the kind of property that we put on the market, whether it is the housing units or not, and the decision is to sell, we then ask for, in most cases, a proposal call, invite tenders and then we dispose of it by that means.

Mr. Lamoureux: I would ask if the Government has disposed of a large number of these homes. He has given me a figure in terms of what we currently have. The primary buyer—is it the resident at the time who is in the home, or is it because it has been vacated and there is absolutely no use for it?

Mr. Driedger: Madam Chairman, all of the above. In some cases it is where people basically have lived in there. In other cases where it is vacated pretty well applies with the amount of units that we have. If the department then identifies that there is the need for it, then we use whatever means we have available in terms of seeing whether we can get rid of it.

Mr. Lamoureux: As the former critic for Housing, I am somewhat aware of the needs for many Manitobans when it comes to housing. The demand for subsidized housing or non-profit housing is very high, especially if these units—and I would suggest if they are units that have more than two bedrooms,

that they are in fact in demand virtually in all areas of the province, and it should become procedure.

If it not currently procedure in the disposing of housing units, I would suggest that the Minister of Housing (Mr. Ducharme) or representatives from that particular ministry should be included in the disposing of those units, because they have a better understanding in terms of where the needs are for future expansion of non-profit housing.

* (1710)

We have over 20,000, I believe, non-profit housing units, and there are homes and units that are built every year on an ongoing basis. If we have one department that is getting rid of housing units, there might be some benefit in terms of having some type of direct contact with the Minister of Housing in the future.

Mr. Driedger: Madam Chairman, I might indicate to the Member that, as I indicated before, everybody has a—all the Government departments that have any interest at all get notified of it, including Housing.

It could be that my Department of Highways has changed their requirements somewhere and we have a building, and maybe the Department of Natural Resources has changed their program and would require something, so all departments get notified. It is the same thing with the Department of Housing. If they feel that it would be in their interests to express even an interest, then we would start talking with them specifically. All they have to do is express some interest or some reservation about wanting to get involved with the property involved, whether it is a house or land or stuff like that. Then my staff goes down, and we try and negotiate that aspect of it.

Madam Chairman: Item 2.(e) Property Services: (1) Salaries \$322,100—pass; (2) Other Expenditures \$330,700—pass; 2.(e)(3) Less: Recoverable from Other Appropriations \$201,000—pass.

2.(f) Security and Parking.

Mr. Dewar: I was just wondering if the Minister could provide us with an update of security in this building.

Mr. Driedger: Madam Chairman, I understood the question to be whether I could give an update as to what is happening with security in the building. The Member is probably aware of the current status and this is an area that gets to be relatively sensitive, in

terms of making it public knowledge of what we have done.

The Member is well aware that we have card access to the various doors at the present time. We have been trying to make the building a little bit more secure through that.

We have had cases—I just want to maybe use the rationale why we did this. Ministers who have their offices on the main floor in the back yet are very accessible to somebody irate who wants to come in. We had a number of cases like that where these things happen, so by having a card access we have them coming through the front.

Naturally not everybody is going to be happy with Members of Government or with the Opposition Members from time to time. We feel we have a little bit of control over it.

I might indicate to the Member that our security system in this building is probably the laxest in Canada, in terms of accessibility. I think we are all sensitive to the accessibility aspect of it, that this is a public building. People should be able to come in here and see their MLAs, see the Government of the Day, and we do not want to take and impinge on that.

However, there still has to be a bit of a balancing act in terms of making sure that it is secure, because the Member is well aware of what happened in, where was it, Quebec, Alberta, Edmonton? In fact I was there on one occasion and saw exactly what had happened. I think it is incumbent on the Government, and myself as Minister responsible, to make sure that we are at least responsible in terms of how we do this.

I do not want to necessarily get into the details, because my feeling always is if you make it appear that security is so tight around here then invariably somebody wants to challenge that system more so than if you have it wide open.

In talking with the Clerk of the Assembly, I think the LAMC wants to discuss to some degree the security aspect of it with myself, and I have indicated that I will be trying to meet—not at the meeting this week, but the meeting subsequent to that—to discuss a variety of issues, security being one of them.

I just want to indicate that we have had some interesting developments during the course of the summer, had some pretty active demonstrations basically where people moved into the building and

created some concern, three specific demonstrations that way.

I am looking at seeing whether we can maybe try and control to some degree that kind of activity for the safety of Members as well as people working in the building, as well as visitors in the building. It is sort of a balancing act that we are doing with it, and I will be getting back to LAMC and discussing it, because certainly we do not want to be perceived as trying to keep the public out. I think they have a right to try and have access providing that their intentions are within reason and not detrimental or harmful to anybody.

Madam Chairman: Security and Parking: (1) Salaries \$2,754,700—pass; (f)(2) Other Expenditures \$471,700—pass.

Resolution 64: RESOLVED that there be granted to Her Majesty a sum not exceeding \$117,409,800 for Government Services, Property Management for the fiscal year ending the 31st day of March, 1991—pass.

Item 3. Supply and Services \$261,000 (a) Executive Administration: (1) Salaries \$134,500—pass; (2) Other Expenditures \$9,100—pass.

Item (b) Fleet Vehicles: (1) Salaries \$1,496,700.00.

Mr. Lamoureux: Madam Chairperson, I was wondering if the Minister could tell me, in terms of, what our current stock is of vehicles, Government vehicles?

Mr. Driedger: Madam Chairman, I am not quite sure whether I understood the question correct. How many vehicles we have in the fleet? We have 2,650 vehicles in the Government fleet. Of that, 300 are seasonal. So we have a permanent fleet of approximately 2,350 in that general area. Now, out of that there is a large component of trucks and special vehicles.

The Justice Department has vans, for example, for transportation of prisoners. The Department of Natural Resources is, I think, our biggest user who has trucks in the field, vans. It is equipment that they need for that. The Department of Highways, my other department, also uses a fair amount of specialized vehicles. Up north for winter roads, we have four-wheel drives, et cetera. We have Suburbans, and we have three-ton trucks for sanding, et cetera, et cetera. So that is all included in there.

I will try and get a bit more detail here in terms of how many cars we have. We have sedans, wagons, a little over 860. We have over 840 trucks. We have over 200 light vans. We have over 400 vans, and that is full-time assignments. Seasonal waiting units and waiting disposal 416, pool units 122, fleet vehicles 4—whatever. Anyway, you know, it is an ongoing thing in terms of requirements between the various departments.

* (1720)

I have to indicate that the fleet was by and large—we did a review just a little while ago, in terms of the vehicles. In fact, the question very often has been raised, under the Government fleet, as to whether we are operating it efficiently. We had a total analysis done of it by private sector to see whether we were operating efficiently. Even if we would look at leasing, which is always the option that everybody throws forward and say, well, maybe you could lease cheaper, we can still provide vehicles at a cheaper cost than we can do by leasing or by doing whatever we want.

I have to say that my garage people there—by and large, that department is very efficient. We have gone through it with a fine tooth comb. At the same time, all departments were asked to take and review their requirements to see whether we could cut back to some degree. I will give the Member a bit of a history of the whole thing. We would like to see the fleet more current in terms of replacement value. The previous administration had cut back on the capital requirement for having, let us say, a six-year turnover for a few years. This Government has been proceeding the same way that we—basically the age of our fleet is in the area of approximately eight years.

I think economics could be argued for or against that. By and large, it would cost us maybe less if we had it on a six-year revolving basis, but your capital outlay—which is something that all Governments are always concerned about, having to get involved in these decisions.

In the area of the fleet, I have to indicate that I am personally very pleased and confident that we are running a very efficient operation.

Mr. Lamoureux: Madam Chairperson, has the size of the fleet hit a plateau, or is it growing on an ongoing basis? Are we continuously adding new vehicles?

Mr. Driedger: Madam Chairman, the permanent assignments—the high point was in '82-83, when we had 2,581 full-time assignments, and we are down to 2,351 now, so there has been an ongoing squeezing and reduction of it.

Mr. Lamoureux: Madam Chairperson, is it a set number of vehicles that would be sold in any given year and so many brought in, in terms of trying to keep the fleet up to date? The Minister made reference to—we will see a vehicle, and I am talking about the major stock, that being of cars, trucks and the light vans, if you will, of being no more than eight years old.

Is it safe then to say that the 2,300 vehicles are very well spread through that eight years so that we have 200 that are one year old, 200 that are two years old and so forth?

Mr. Driedger: Madam Chairman, the replacement is anywhere between 300 and 400. That depends on how much capital becomes available, which is a decision that Government and Treasury Board have to make on that.

However, what we do is we go to the various departments and we look at the bottom-end units, units that are past eight years old that have high mileage content, repairs are high on them. Those are the ones that we try and replace. It is an ongoing challenge really, I suppose, to make sure that we get rid of our dogs in the fleet and try and replace them with better units. You have to understand that certain units used in some of the rural and northern components—I am talking trucks—they get a terrible beating and do not last necessarily as long as, let us say, a sedan car driven in the city.

There is such a mix of how we look at what has to be replaced. We ask each department to come forward with what their requirements are, and then we try and see whether we can get the whole thing combined in terms of them putting out a tender, which incidentally we feel we get good prices that way. That is one of the reasons why we can provide per kilometre mileage cheaper than any other way.

Mr. Lamoureux: Lastly, Madam Chairperson, on this particular line is in regard to some people who get relatively upset—and I can be very understanding as to why they would get upset—when they see abuse of Government vehicles. I believe it was last year or 18 months ago we had someone who was crossing the border—the Minister might recall this particular incident. I have

had comments in regard to, why is it that particular vehicle is parked overnight at so and so's home?

I have had comments regarding, do all Government vehicles—and maybe the Minister could actually answer this specific question, are all Government vehicles marked in some fashion? Do they have the Manitoba crest, for example, on the doors, or is there something there that Joe citizen or the public can say, yes, indeed that is a Government of Manitoba vehicle? He might want to comment on the first part of my comment.

Mr. Driedger: Madam Chairman, first of all, let me indicate not all Government vehicles are identified because we have many sedans and trucks. For example, the Department of Highways has their insignia on there. The Department of Natural Resources has—I think some of the departments that have different types of units, but vehicles like sedans, cars are not necessarily identified.

I just want to correct a misconception. The incident that happened within the Department of Highways last year where an individual employee was using a Government van to distribute booze, that individual had not crossed the border with that vehicle which is against policy anyway. He would use it to pick up—used it as a distribution vehicle, I suppose. I have to indicate that he was strongly reprimanded. The necessary disciplinary action was taken.

From time to time, when you consider the amount of employees that Government has, not everybody is going to be a perfect individual and there is always the possibility of some abuse.

The same thing could apply when the Member is inferring that where there is a lot of abuse, let us say, you could make reference to Highways or Natural Resources, you could also talk about the Crown corps, telephone, hydro, et cetera, but each department—in my particular case at least, in Highways, I am responsible for basically, not as Minister of Government Services, but as Minister of Highways to make sure that there is efficient use of the units and not abuse. The same thing with the Department of Natural Resources, and as well as each one of the departments that basically has a vehicle. The onus is on them to make sure that there is a requirement for that vehicle.

In some cases, the departments feel it is advantageous for—let us talk of trucks. We have to be careful because you have people like my deputy

who is driving a car home, and it is a Government car, but the system is such that it makes provision for that. At the same time, we have in some cases where we make provisions for individuals in Highways and Natural Resources, or other departments, to take a Government truck home.

I understand what the Member is saying, that there is a sensitivity that Government vehicles are all standing at a coffee shop having coffee, and the same I think I hear the radio announcers the odd time taking a shot at say the city police, saying that they are at the doughnut shop having coffee and stuff like that. I would like to think that the majority of people who work for Government especially are quite conscientious if they have Government vehicles. That does not mean that there is not the odd opportunity where there is a certain amount of abuse, but that challenge is there for every department to make sure that people are accountable in terms of what they do.

I think the incident that happened 18 months ago, approximately, brought everybody's attention to it a little bit, of the possibility of that, and I think every department sort of tightened up their traces a little bit. I think by and large everybody is very conscientious about making sure that abuse does not happen.

Madam Chairman: Item 3.(b)(1) Salaries \$1,496,700—pass; 3.(b)(2) Other Expenditures \$10,131,500—pass; 3.(b)(3) Less: Recoverable from Other Appropriations \$15,644,600—pass.

Item 3.(c) Office Equipment Services: 3.(c)(1) Salaries \$472,900.00.

Mr. Lamoureux: Madam Chairperson, I am wondering if the Minister can comment in regard to computers and if we currently have, and I am being somewhat specific, within the Legislative Building excess computers? When I say excess computers, when I had taken a bit of a tour around the building I had seen a large number of computers just lying around.

* (1730)

Mr. Driedger: Madam Chairman, at the present time each department is responsible for buying their own computers. I repeat again, each department basically is in charge of buying their own computers. I have to indicate that at the present time we are just looking at the possibility to see whether there is possibly a more efficient way of doing it by

combining it, but that is in the early stages yet. So right now everybody looks after their own needs.

Mr. Lamoureux: In terms of disposing of office equipment, and included in that would be computers, it would be this department's responsibility for the disposal of it?

Mr. Driedger: Madam Chairman, I would like to indicate that when a department declares surplus, whether it is computers or whether it is any other office equipment, and I am talking declared surplus, the department then has to declare that they have no need for it anymore and then my department basically does an evaluation on it. If it is marketable, we try and sell it. I have to also indicate that we have certain equipment, office furniture and stuff that is very marginal, that we have ongoing requests, literally stacks of it coming forward, people asking from charitable organizations to see whether we could donate. There has been a policy in place and we have continued that, except that in the last while we have been very tight in terms of furniture replacements so there is very little of it going out. We used to give some of the surplus you know that was not marketable, we then took and donated it to some of the charitable organization.

Madam Chairman: Item 3.(c) Office Equipment Services: 3.(c)(1) Salaries, \$472,900—pass; 3.(c)(2) Other Expenditures, \$1,007,000—pass; 3.(c)(3) Less: Recoverable from Other Appropriations, \$1,842,000—pass.

3.(d) Purchasing: 3.(d)(1) Salaries, \$1,271,300—pass; 3.(d)(2) Other Expenditures, \$208,600—pass.

3.(e) Material Distribution: 3.(e)(1) Salaries, \$830,600—(pass); 3.(e)(2) Other Expenditures, \$4,897,100—pass; 3.(e)(3) Less: Recoverable from Other Appropriations \$5,406,800—pass.

Item (f) Telecommunications: (1) Salaries \$649,200—pass; (2) Other Expenditures \$2,430,600—pass; (3) Less: Recoverable from Other Appropriations \$1,942,600—pass.

Item (g) Postal Services: (1) Salaries \$784,300.00.

Mr. Lamoureux: Just one question on it, and the Minister can just maybe pass the information on to me. I am curious to know what the caucuses' mailing amounts were including the respective Leaders' offices. He does not have to get the information to me now; he can get it to me in the next week or so.

Mr. Driedger: Madam Chairperson, I do not know whether—I would indicate to both critics that what information I have here I will make available in print to them, but it does not include the Leaders specifically. It includes caucus offices. I think maybe everybody would feel comfortable at this stage of the game if I make that available. I can probably have that by tomorrow, the day after, if that is acceptable to Members. I will make that available in writing to you. -(interjection)- The past couple of years? We will do our best. We might not have it all by tomorrow so I will give the undertaking to both Members that we will try and get what information we have for a period of a year, just to show you the trends if you want to and provide that in writing. We will give it to the individuals, okay?

The Member indicates Leaders as well, and I do not know whether we have—Madam Chairman, we will take and look, and if we have it available for the Leaders we will supply that as well. If not, we will give you what information we have in writing, and you can do with it as you please.

Madam Chairman: Item 3.(g) Postal Services: (1) Salaries \$784,300—pass; (2) Other Expenditures \$144,800—pass; (3) Postage \$4,591,300—pass; (4) Less: Recoverable from Other Appropriations \$4,330,300—pass.

Item 3.(h) Land Acquisition: (1) Salaries \$1,541,500—pass; 3.(h)(2) Other Expenditures \$211,900—pass; 3.(h)(3) Less: Recoverable from Other Appropriations \$1,385,600—pass.

Resolution 65: RESOLVED that there be granted to Her Majesty a sum not exceeding \$261,000 for Government Services, Supply and Services \$261,000 for the fiscal year ending the 31st day of March, 1991—pass.

Item 4. Accommodation Development \$3,079,900; 4.(a) Executive Administration: (1) Salaries \$99,400—pass; 4.(a)(2) Other Expenditures \$3,900—pass.

4.(b) Design: (1) Salaries \$1,557,500—pass; 4.(b)(2) Other Expenditures \$92,500—pass.

4.(c) Construction Project Management: (1) Salaries \$625,800—pass; 4.(c)(2) Other Expenditures \$35,100—pass; 4.(c)(3) Alterations/Renovations - Minor Projects \$500,000—pass; 4.(c)(4) Less: Recoverable from Other Appropriations \$500,000—pass.

4.(d) Accommodation Planning: (1) Salaries \$234,300—pass; 4.(d)(2) Other Expenditures \$20,700—pass.

4.(e) Facility Programming and Lease Acquisition: (1) Salaries \$391,200—pass; 4.(e)(2) Other Expenditures \$19,500—pass.

* (1740)

Resolution 66: RESOLVED that there be granted to Her Majesty a sum not exceeding \$3,079,900 for Government Services, Accommodation Development, \$3,079,900 for the fiscal year ending the 31st day of March, 1991—pass.

Item 5. Land Value Appraisal Commission \$56,400; 5.(a) Salaries \$68,600—pass; 5.(b) Other Expenditures \$60,800—pass; 5.(c) Less: Recoverable from Other Appropriations \$73,000—pass.

Resolution 67: RESOLVED that there be granted to Her Majesty a sum not exceeding \$56,400 for Government Services, Land Value Appraisal Commission, \$56,400 for the fiscal year ending the 31st day of March, 1991—pass.

Item 6. Disaster Assistance \$828,400; 6.(a) Emergency Measures Organization: (1) Salaries \$480,900—pass; 6.(a)(2) Other Expenditures \$210,100—pass.

6.(b) Disaster Assistance Board: (1) Salaries \$124,000—pass; 6.(b)(2) Other Expenditures \$13,400—pass.

Resolution 68: RESOLVED that there be granted to Her Majesty a sum not exceeding \$828,400 for Government Services, Disaster Assistance for the fiscal year ending the 31st day of March, 1991—pass.

7. Expenditures Related to Capital \$19,951,800, 7.(a) Acquisition/Construction of Physical Assets - Government Related \$15,363,300.00.

Mr. Driedger: Madam Chairman, I would like to indicate that we are talking 7.(a) specific under Capital. This is part of the physical construction that we undertake in terms of various buildings through the province, where we have for example the Manitoba Developmental Centre, the Agassiz Centre. This is physical work that we do in terms of construction of physically handicapped access to buildings, things of that nature. It also includes the Remand Centre in this particular case. One of the reasons was each year there was a certain amount budgeted for the Remand Centre, and unfortunately

it never got off the ground. We have it off the ground now—well, I should not say off the ground, it is in the hole. It is a hole now, but we have physically started on it. So a portion of that money will be expended, and that is the kind of physical undertaking—

We have sort of a gray area between what we call maintenance and what is called capital in terms of improvements to buildings. Headingley is involved in this. Brandon, that was capital; the roof replacement was \$400,000 for the roof of Brandon. Selkirk we have—I am trying to get for the Member a bit of an idea of what is involved—Selkirk Mental Health Centre, we have \$466,000.00. We have Westgrove, \$400,000.00. We have leased premises for driver licence vehicle \$122,000.00. We have 3137 Portage Avenue, \$63,000.00. We have—

I wonder if it would be beneficial to both Members if I would make copies available to them in terms of—I can read the whole works into here of all the physical things we have done, construction projects, but if the Members want I can get copies for them so they can look at some of these things.

Subsequently I will indicate, because everybody has been very accommodating in terms of the Estimates, if there are questions later on that you have, the critic can ask them in the House or if they are of other concerns, we can deal with them.

I will make these copies available to you in terms of the work that we have undertaken in that area. Okay? Will that be acceptable? Madam Chairman, we should have these lists available for the Members tomorrow.

Madam Chairman: Item 7.(a) Acquisition/Construction of Physical Assets - Government Related \$15,363,300—pass.

Mr. Lamoureux: Madam Chairperson, I understand that the Minister at the last line—we were going to use it with asking questions from different parts of the Estimates book at this point in time. Would that be okay?

Mr. Driedger: Madam Chairman, I gave my undertaking to the Member that if we wanted to pass everything, because I believe the understanding is that we will probably do this before six, that under the Minister's Salary—the only problem I have is if I need my staff around -(interjection)- Ask the questions now before staff leaves. Okay, because I need them for my information in some cases, so that is fine.

Mr. Daryl Reid (Transcona): Madam Chair, I have some questions that I would like to ask about the Disaster Assistance; I believe it is under the EMO. With the forest fire situation that we had in Manitoba here, I believe it was last year if I am not mistaken -(interjection)- Last summer, a year ago, that is correct.

I would like to know something about the costs involved and what assistance was provided by Government Services to I believe the Natural Resources Department for equipment and the manpower or person-power that was provided to that department.

Mr. Driedger: Madam Chairman, I want to indicate to the Member the terrible disaster that hit Manitoba a year ago last summer, in the terms of the fire, the total cost worked out to in the area of \$73.5 million.

We have that broken down in categories between various departments, because under EMO we did the evacuations of 23,000 people successfully out of the North, placed them throughout Manitoba and moved them back again. Once again, I want to indicate that was done very successfully without any loss of life or major accident.

A good portion of the \$73.5 million costs that were incurred was firefighting as well. I have to, you know, with some chagrin, indicate to the Member that we still have not received any funding from the federal Government for that.

The reason for that is at the time when this disaster hit, the Prime Minister had then indicated he was going to treat Manitoba generously. So the decision was made by the Government of the Day that we would not go through the normal course of applying through the normal channels under EMO and Manitoba Disaster Assistance Board, but it would be done on a political level with the Premier (Mr. Filmon)

to the Prime Minister.

This is why I have to indicate that issue has not been resolved. Unfortunately, there is still a misunderstanding and not an agreement. Ongoing negotiations and meetings have taken place. We hope that it will be resolved because we feel that—in fact the latest meeting took place last week, less than a week ago, where we met with our federal counterparts to discuss seeing whether we could resolve it.

I think the fact we have not resolved that has been part of the maybe strained activities between the

federal Government and the provincial Government. I have to indicate that I think I certainly, as Minister responsible for EMO and Manitoba Disaster Assistance Board, feel embarrassed by the fact that we have not managed to resolve it to this date, but negotiations are ongoing at this time. I feel confident at this stage of the game now that we should be able to have it resolved before Christmas.

Mr. Reid: I guess the next question would fall into the same line there. What would this Government of Manitoba consider to be fair and equitable treatment to allow us to recover some of the costs for this province of the total that was expended to fight the forest fires and relocate the people during that terrible time in this province?

Mr. Driedger: Madam Chairman, if we had gone through the normal process, I think our recovery would have been in the area of \$13 million, more or less a little bit because of the costs involved. Our ration around \$13 million is what would have been recovered through the normal process because a lot of the costs involved firefighting. We have a special different arrangement for firefighting. Because it was basically in protection for many of the northern communities and reserves, we felt there should be a different approach taken at the federal Government, that the normal system should not necessarily apply because this was in protection of the northern community, and because of the extreme disaster, which was the biggest one I think we have ever had in Manitoba, that different circumstances should be applied.

* (1750)

So many factors have played into this and we have used all these things in terms of protection for the Natives. The evacuation of the Native community out should have a different implication because it is federal responsibility. So there are a lot of things that were involved in how we rationalized. We know what our expenses were and we are still hoping that we will be able to get relatively—the Member asks what we consider fair treatment. I would like to think that 50-50 would be reasonably fair, you know, if we could get that certainly I would be elated. We have been trying to work towards that objective somewhere along the line.

We have other disasters that have taken place across the country and we will be watching those carefully to see how they get treated. Had this been

a flood the formula is different and that is why we are still hoping that we can get a positive settlement on this.

Mr. Reid: Madam Chairman, could the Minister give an undertaking to explain what the stumbling block is, or the bottleneck, why this has not progressed any further than this point to this time?

Mr. Driedger: Madam Chairman, it would be speculative for me to do that. I suppose more harmonious relationships between ourselves and the federal Government of course would help that. I would be speculating at this stage of the game. It is a matter of how much of a settlement we can ultimately get out of them and I will keep Members updated on that.

Mr. Lamoureux: Madam Chairperson, I had three quick questions regarding EMO before the next five minutes expires. What I am referring to is the recommendations that have been put forward by this particular report. The first one is a recommendation that the provincial Government departments and agencies, especially those with primary responses, roles, complete department emergency plans as soon as possible. In the response some of the departments have done it, other departments with primary service have not done it. Can the Minister tell us today if in fact all of the departments have fallen in line with that recommendation?

Madam Chairman: Item 7.(a) Acquisition—the Honourable Minister of Government Services.

Mr. Driedger: Madam Chairman—

An Honourable Member: You missed your opportunity.

Mr. Driedger: I missed my opportunity, well, the Member had asked a question. Most of the departments have complied now with a plan in place to improve the program. Most of them have improved their program.

Mr. Lamoureux: That does not necessarily sound like too much of an improvement from the report in terms of what the report itself is saying, but I did want to touch upon the other two things. Forest fires 5.(1)(3) refers to forest fires. It has been noted by Natural Resources that over 90 percent of the forest fire starts were of human cause. One of the recommendations was, in fact, to look at the legislation and possibly introduce legislation that would alleviate some of the concerns when it comes to human-caused fires. Has this Minister requested

any of his colleagues to bring forward, or is he of the opinion that some type of legislation or regulations are needed and we can cite stubble burning, or whatever else?

Mr. Driedger: There are burning regulations in place in our inhabited area. Municipalities, for example, have their own by-laws in terms of burning controls, et cetera. In the unorganized areas, I believe, that the Department of Natural Resources made a full report after the fires and there are at the present time laws in place in terms of if somebody starts a fire, can be charged with it, and I think costs and stuff of that nature. I do not know how specific the Department of Natural Resources is going to be. It is a matter of whether these things have been set, whether it is arson, or whether it is an accidental fire, but I think, at least in the municipalities, they have a by-law in place in most cases that controls that.

Madam Chairman: Item 7.(a)
Acquisition/Construction of Physical
Assets—Government Related \$15,363,300—pass.

7.(b) Vehicle Replacement \$3,900,000—pass.

7.(c) Office Equipment Replacement \$438,600—pass; 7.(d) Departmental Capital \$249,900—pass.

Resolution 69: RESOLVED that there be granted to Her Majesty a sum not exceeding \$19,951,800 for Government Services, Expenditures Related to Capital, \$19,951,800 for the fiscal year ending the 31st day of March, 1991—pass.

We will now move to item 1. Administration. I would request that the Minister's staff leave the Chamber.

Item 1.(a) Minister's Salary \$10,300—pass.

Resolution 63: RESOLVED that there be granted to Her Majesty a sum not exceeding \$2,365,000 for Government Services, Administration for the fiscal year ending 31st day of March, 1991—pass.

Order, please. Committee rise. Call in the Speaker.

IN SESSION

Madam Deputy Speaker: The hour being past 6 p.m., this House is adjourned and stands adjourned until 1:30 tomorrow (Wednesday).

Legislative Assembly of Manitoba

Tuesday, November 20, 1990

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