

LEGISLATIVE ASSEMBLY OF MANITOBA

Monday, November 13, 1989.

The House met at 8 p.m.

CONCURRENT COMMITTEES OF SUPPLY SUPPLY—HEALTH

Mr. Chairman (Harold Gilleshammer): Will the committee please come to order. This afternoon the Committee of Supply considering the Estimates of the Department of Health had been considering item 2.(g) Continuing Care: (4) External Agencies \$519,900—the Member for St. Johns.

Ms. Judy Wasylycia-Leis (St. Johns): I am just wondering if I could ask for the indulgence of the Chair and the Minister to go back to a line and ask a brief question that really falls under Health Promotion, but it is about an external agency.

Mr. Chairman: Is there leave to go back to that line? (Agreed)

Ms. Wasylycia-Leis: My questions very briefly are on the Gwen Sectar Creative Living Centre. I am raising them. This organization and centre have expressed some concerns about their long-term viability, and as the Minister knows, had undertaken a major expansion in the last couple of years.

I believe they had the full support of the members in the Health Department and are now very concerned, because there has been no increase in base-line funding, only have received a small cost-of-living increase, have scraped by in '88-89, will just manage in this fiscal year but are facing a desperate situation in 1990-91. I believe they are in desperate need of an increase in base-line funding, which would bring them in line with other senior centres or they will face a very uncertain future.

My questions are simply, what happened? Why did the Gwen Sectar Living Centre not get the anticipated base-line increase that was commensurate with its expansion? What are the plans for dealing with this critical situation, and what is the formula that is now in effect for funding such senior centres?

Hon. Donald Orchard (Minister of Health): Mr. Chairman, my honourable friend, the Member for Kildonan (Mr. Cheema), brought up this issue in the afternoon and there are two groups, Gwen Sectar and Winkler Senior Citizens Association, who find themselves in the same position where there were expectations created through discussions. Somehow both of those organizations had their expectations not materialize, and we have been dealing with them for approximately six weeks now and are close to resolution to their satisfaction.

Ms. Wasylycia-Leis: I thank the Minister for that information and look forward to the results of that

dialogue with Gwen Sectar and I guess Winkler Senior Centre.

Is there a formula? There used to be a formula for funding of such centres. Is that formula still in effect? Is there a new formula? What is the general policy for funding of such seniors resources centres?

Mr. Orchard: The qualification and the criterion for qualification are essentially the same, because support services for seniors have not been changed in terms of the approach to funding.

The Gwen Sectar and the Winkler group had, if my memory serves me correct, in going into the issue with staff, wanted to expand fairly significantly over their present capabilities and were given indication that would be possible. It simply was not followed through on, and as a result of what they thought were quite favourable discussions with staff they went ahead and made some of the arrangements on an enhanced service delivery level, enhanced the financial squeeze on both of those organizations.

* (2005)

As I say to my honourable friend, both of those situations are in discussion, because it came to my attention about seven weeks ago and staff are undertaking discussions, and we hope to resolve those in the very near future.

Mr. Chairman: Shall the item pass—pass.

Item 2.(h) Medical Equipment and Supplies: provides for the purchase, storage and distribution of medical supplies and home care equipment to facilitate the care of patients in their own homes. Also provides equipment servicing and assistance to clients in the use of equipment and supplies. (1) Salaries \$675,400—pass; (2) Other Expenditures \$2,980,300—pass.

(3) External Agencies \$651,800—the Member for Ellice.

Ms. Avis Gray (Ellice): Could the Minister tell us, the amount of money, \$651,800, which external agencies are funded?

Mr. Orchard: Mr. Chairman, that is on page 3 of the grants listing that I handed out this afternoon. There are just two in this instance so I can give them to you: the Canadian Red Cross (Manitoba Division) at \$24,200 is the request for this year and the Society for Manitobans with Disabilities at \$627,600.00.

Ms. Gray: What is the nature of the funding to the Society for Manitobans with Disabilities? Is it to cover certain programs or—

Mr. Orchard: Wheelchairs.

Ms. Gray: Equipment specifically, okay.

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Mr. Chairman: Item 2.(h)(3)—pass.

Item 2.(j) Dental Health: provides dental treatment and preventive services to specific age groups of children throughout rural Manitoba. Also provides dental treatment and preventive services to citizens in remote areas and some institutions. (1) Salaries \$2,383,300—the Member for Thompson.

Mr. Steve Ashton (Thompson): Just a few questions in regard to the dental—

Mr. Orchard: The Canadian Red Cross Society also, the primary use of their money was wheelchairs as well.

Mr. Ashton: I just have a couple of questions. First, I would like to ask the Minister whether there had been any discussion in the department as to extending the program.

First of all, it is not available in Brandon and Winnipeg, and I know it does come up in discussions. I am sure the Member for St. Johns (Ms. Wasylycia-Leis) and other MLAs in the city are aware of the inquiries that are made in terms of the programs availability. Of course, it is offered in different grade levels in other communities. I know in Thompson it is not offered for the full range of the program.

I would just like to ask the Minister if there had been any consideration for expanding the program into some of the under-serviced areas and, in particular, whether there had been any consideration of the fact that particular communities, in Winnipeg, for example, Brandon, and particular communities within Thompson, do not have the same access to dental insurance that perhaps others do. There are a lot of people out there who do not have proper access to even the most basic children's dental programs. I am wondering if there have been any plans, on the part of the department, to look at any possible expansions.

Mr. Orchard: Mr. Chairman, the program has been stable at its current delivery level since 1984. I guess we go through each year on the same criterion that the previous administration has gone through in terms of trying to decide how much resource and whether to expand the program. To date, we have decided to maintain the program at existing levels.

One of the additions we are undertaking this year is in terms of a sealant program where we are testing the effectiveness of a sealant program. Approximately \$100,000 of new funding has gone in to give us a clinical trial on sealants, whereby we have control groups in both the dental nurses delivered program and the private dentist delivered program.

* (2010)

We think we will have a pretty good trial at the end of the expenditures, as to whether we can expand the program in that regard to provide sealants as a cost-effective method of prevention of tooth decay. That is the significant new addition to the program this year.

Mr. Ashton: Is the Minister contemplating the expansion of that program to the existing communities

where dental health services are provided through the department, or is that going to be available provincially if the tests are successful?

Mr. Orchard: The first objective is to prove what we think is the cost effectiveness of the program. Should that materialize as anticipated, then because it is cost effective we would move it to the balance of the program in the province.

We are still faced, however, in the second part of my honourable friend's question, with the decision of expanding the entire program to the rest of the province, and those are two separate issues.

The sealant test, if it is an effective tooth decay prevention methodology, obviously we would be penny-wise and pound-foolish if we did not expand it to the existing program if anticipated results are achieved as expected.

Mr. Ashton: I was really looking forward to seeing the results of the tests and would suggest—and I realize there are two separate questions, but obviously we already have, within the existing Dental Health Program, a distinction between different communities via age. I believe it is six to ten in Thompson, and I believe Portage is the other community that is involved, and other communities it is six to 14. We have already accepted the principle that different communities have different needs.

What I am suggesting though is that in a sealant program, whether or not there is an expansion of the overall program, which I suppose could be argued as well, I am wondering if the Minister would consider it for, not only the communities of Portage and Thompson and the other rural northern communities, but also in Winnipeg, or particularly in certain areas of Winnipeg where dental health insurance is not that common.

I think we are running into the situation—and I think it is fairly obvious to anyone who looks at it—that many kids in Winnipeg, and I suppose Brandon as well, do not have access to even the most basic dental services. I am just wondering if there is some way of getting—even with the sealant program, which if it is successful in the test could make a substantial difference, as I understand it, in terms of reduction of cavities, and could make a major change for the children and the families involved in terms of future expenditures.

Mr. Orchard: Mr. Chairman, as I mentioned to my honourable friend earlier, the decision as to whether to make this—I believe it is in four school divisions. That is what our pilot is, two of them private, two of them dental nurse, so we have the balance of service delivery modes. Of course, the balance of the school divisions are in effect the controls if you will.

Pending the outcome of the results, if they are as ambitious and as good as we believe then it would become, I would expect, an offered program throughout the existing service to school divisions, be they served by private dentists or the dental nurses. Even this program, to be moved into school divisions outside of the currently serviced ones is the same decision that has been before Government since 1984.

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* (2015)

I simply cannot indicate as to whether, at this stage of the game, we would be offering that expanded service. The one thing that I think is rather interesting about the pilot project is the ability with results. These are probably going to give us as good results as there are anywhere on a dental sealant program in North America. Now, having that kind of information at one's disposal, through insurance programs as my honourable friend mentioned in Winnipeg where some students are covered under for instance the MGA benefit package, it may become standard offering there as a cost-saving procedure in dental health.

That is really what we are hoping to prove through this trial, so that although it will not be offered necessarily or the decision to offer in school divisions other than those that we currently serve is a separate decision, I think it is fair to say that if we can, through the control trial within this program, we can show that there is a cost-effective way of preventing tooth decay in the sealant project that I would think we would have the statistical offerings that a lot of dentists would be interested in pursuing.

Parents would be interested in pursuing in some of the Blue Cross and others who offer the insurance programs so that it could be the vehicle by which it becomes expanded. We have excellent co-operation of the Faculty of Dentistry on setting up this project in terms of setting up the mechanics of it to make sure that the information we get back is good. So the faculty is quite interested in it as well.

Mr. Chairman: Pass. (2) Other Expenditures \$2,663,600—pass; (3) External Agencies \$172,600—pass; (k) Environmental Health: Provides medical public health input to departments and agencies in the delivery of environmental health services; i.e. medical expertise in the assessment of health hazards and development of preventive measures.

(1) Salaries \$212,700—the Member for Thompson.

Mr. Ashton: I am just wondering if the department has had any role in the analysis of the explosion at the chemical plant in St. Boniface a number of months ago, in particular in assessing whether there was any ongoing health hazard to individuals. In terms of the regulations of such plants, I do not know if it would fall under Workplace Safety and Health.

I am wondering if the Department of Health through this particular section had any role in, first of all, looking at the impacts of that explosion and, second of all, looking at the safety questions that surely have to be raised as a result of what was a pretty scary explosion in Winnipeg.

Mr. Orchard: Mr. Chairman, I will have to beg off a more definitive answer until my ADM gets here. My sense of it would be, no, that the follow-up was left to the Department of Environment. The activities here are not the same or parallel to those undertaken in the Department of Environment. We do consultations for the Department of Environment, Clean Environment

Commission, but they are on the medical side in such things as epidemiological surveys, water quality program, and risk assessment of analysis of various published works, et cetera, and of course the development of the Public Health Information pamphlets. So that we operate as I guess a separate, not a similar function to the Department of Environment. To my knowledge we have not taken any follow-up surveys in general area of that explosion.

Mr. Chairman: Pass—the Member for Ellice.

Ms. Gray: I wonder if the Minister could tell me in the objectives it refers to looking at environmental factors affecting physical and mental health. Does this particular section of the department deal at all with environmental health in regard to the actual staff in the Department of Health in terms of their health, i.e. physical and mental what may be affecting the workplace, whether it is stress, poor physical conditions, et cetera?

Mr. Orchard: If my honourable friend is asking about stress analysis, that type no, but we have upon occasion asked for air quality testing from Workplace Safety and Health. I think Workplace Safety and Health is probably the more appropriate area for some of my honourable friend's questions. Personnel management in terms of stress handling would be the other area where assistance could be provided.

* (2020)

Ms. Gray: Would the Minister know or have information available this evening as far as asking for testing of air quality? Is that something that is regularly done by Government offices in the Department of Health?

Mr. Orchard: No, it is not a regular one but from time to time you will run into staff complaints in terms of air quality. We are getting Government Services to do the monitoring for us but it is through this area that we generally receive and proceed with the request for testing. I do not believe there is a routine check every office once every six months, it is upon request to do so.

Ms. Gray: Would the Minister then have information in this section as to for those instances where there has been a request for testing, how many of the concerns for air testing have there been actually valid reasons or results which in fact show the air quality as poor?

Mr. Orchard: I guess we have only tested Eaton Place and 1200 Portage.

Ms. Gray: What were the results there?

Mr. Orchard: They met guidelines but you can appreciate 1200 Portage, in particular, I think there was some substantial renovations. As a result of those, we were within Government guidelines in terms of air quality.

Mr. Chairman: Pass. 2.(k)(2) Other Expenditures \$15,500—pass.

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2.(m) Health Information Resources: Provides for professional library services, maintenance and distribution of audio-visual materials, pamphlets and posters. (1) Salaries \$252,000.00. Shall the item pass—the Member for Ellice.

Ms. Gray: I do not have a question, Mr. Chairperson, I just have a comment to put on the record. When I worked for the provincial Government, but even more since I have become an MLA, I would just like to say that my personal experience and the experience of other individuals that I have spoken to in this building that we sometimes forget about Health Information Resources but they do provide an excellent job. Any information I have ever had to ask them for, the information that I got back has always been very comprehensive and I have found them very, very helpful. I do not have a question but I did want to put that on the record.

Mr. Chairman: Pass. 2.(m)(2)—the Honourable Minister.

Mr. Orchard: Thank you very much on behalf of Health Information Resources.

Mr. Chairman: 2.(m)(2) Other Expenditures \$228,500—pass.

Resolution No. 66: RESOLVED that there be granted to Her Majesty a sum not exceeding \$72,167,400 for Health, Community Health Services, for the fiscal year ending the 31st day of March, 1990—pass.

Item 3. Community Health Services (Operations), (a) Regional Services: consists of departmental field resources in 10 regions for the delivery of Community Health Programs encompassing health promotion, communicable disease control, maternal and child health, hearing conservation, continuing care, community mental health, support services to seniors and northern primary health care. 3.(a)(1) Salaries, \$26,434,600—the Member for Ellice.

* (2025)

Ms. Gray: Mr. Chairperson, earlier on in the Estimates we were speaking of the pending reorganization of the Winnipeg Regional Services and I believe the Minister had indicated then that there had been some work that had been done over the past year and a half, meetings with staff, et cetera, et cetera, and that now we had a consultant who was hired, a Mr. Toews, who was further dealing with this reorganization. I am wondering if the Minister could indicate for us what stage the reorganization is at.

Mr. Orchard: We are hoping to have a report from Mr. Toews by the end of this month. I full well realize that from time to time I have indicated things will be happening in three weeks time and they take four or five, but that is the projection at this stage of the game.

Ms. Gray: What is the responsibility of Mr. Toews and his committee?

Mr. Orchard: It is basically Mr. Toews who is head-manning the reorganization, the reworking of Winnipeg

region. My honourable friend has requested through FOI the consulting services agreement between Mr. Toews and his employer, Eden Mental Health Centre and the Government, I will give that to my honourable friend this evening, it was drawn up the 14th of August, 1989.

Here is basically the kind of criteria that were placed before him in his deliberations in the Winnipeg region:

To familiarize himself fully with all issues, problems, concerns and background data/information pertinent to the current status of the three Winnipeg regions.

To consult broadly as required with executive management, program and field staff of appropriate departments, for input to issues and concerns as they relate to the organization and service delivery network of Winnipeg regions.

To develop, for review by executive management of Manitoba Health and Manitoba Family Services, a final report in writing and satisfactory in form and content to Manitoba, containing options, implications and recommendations for a single restructured Winnipeg region, incorporating the following elements: centralized program responsibility to ensure co-ordination; centralized administration functions to avoid duplication and to strengthen financial and administrative capacities; service co-ordination at all levels in the regional network; office management functions in each office located vested with a single position.

To identify and recommend the implementation strategies for the revitalized service delivery model in Winnipeg.

To furnish Manitoba with such other reports with respect to Services, in addition to the progress reports required under section 5 of this Agreement and the final report referred to in this schedule, as may be requested by Manitoba.

I will get a copy of this made so my honourable friend has it.

Ms. Gray: I thank the Minister for that information. I am assuming from what he has read then that when Mr. Toews was hired on contract that a decision had already been made, that in fact the three regional system should be changed so that we would go back to one region. I would ask the Minister, who made that decision, and what was that decision based on, what data or information?

Mr. Orchard: Essentially my honourable friend is correct. That decision or general direction was arrived at prior to the retention of Mr. Toews through consultation by senior staff with the Winnipeg region staff.

As my honourable friend knows, this is one of the more complex issues in terms of organization that has been before the department. I did not expect our progress to be this quick this evening. I have some information in the office, and my honourable friend will

just have to give me the patience of relying on memory to give a general indication of how we got here.

* (2030)

Winnipeg regions were operated as a single entity, I think it is three years ago or maybe four years ago now three and a half say, a reorganization was proposed. The reorganization plan was not—I cannot answer for the genesis of it. I am just giving you sort of the after fact information. It was done apparently without discussion with the Treasury Board in terms of the implications for making three separate regions in Winnipeg.

Apparently there was no discussion with the Civil Service Commission. That led to some red circling, some staffing issues which have really troubled the management and service deliverers in the Winnipeg regions since implementation. That reclassification has been the subject of grievances, I think if my memory serves me correct possibly up to a dozen grievances most recently -(interjection)- arbitration, not grievances. Both.

I have to tell you that my deputy upon assuming the office in July of last year attempted to come to grips with the issue using his new found position as a vehicle for expediting discussions. I think it is fair to say a lot of positive direction emanated from his time spent on it. It was a considerable amount of time, as my honourable friend may well know. We ended up in an intractable situation again where, to put it in no other blunter terms than, we appeared to have maybe some competing factions that had emerged.

Clearly there was a disintegration of the level of trust between individuals there. The situation was not going to be easily rectified. It was at that stage of the game back in July of this year that the deputy was made aware that Reg Toews was coming back from—I guess an assignment in the midwestern U.S. is where he was—and that he would be working out of Eden Mental Health Centre.

He had experience in the past within the regional services of the department, I believe about 12 or 15 years ago, and was very effective in resolving not as large or as complex an issue but a similar issue in Eastman region as regional director. I was informed he enjoyed a fair bit of respect within the department, within the various individuals working in the regions and that he would be viewed as an honest broker, if you will. Maybe the terminology is not exactly the right one, but that is the best I can make the analogy on because as my honourable friend might recall I indicated earlier just a few minutes ago that there were factions developing and a far little bit of competition which was harming the implementation of change. Reg Toews was brought in as, if you will, the honest broker to report on fairly short notice a plan of action to bring the program flow together. As I say, that is the report that we expect to have before us in the very near future, hopefully by the end of this month.

Mr. Chairman: Pass—the Member for Ellice.

Ms. Gray: The Minister has spoken of recommendations from senior staff, I assume of the

regions in terms of an indication that it would be more advisable to go back to a single region. When he says senior staff who is he referring to?

Mr. Orchard: In the regions, and also discussions with other regional directors as well, in terms of what their outside perception is of program delivery in the Winnipeg region.

Ms. Gray: A further question to the Minister, and I am certainly pleased to see that obviously some of what senior staff had to say was considered in the move to go back to one region. Certainly it was not considered when they decided to move into three regions.

Were there other pertinent or points or structural issues or particular recommendations that could be seen as being fairly consistent throughout what senior staff said, other than the fact that there should be a structure which was one region. Were there sort of other recommendations that the Minister can indicate were sort of identified by senior staff?

Mr. Orchard: Again, I am going to go by memory because this is several months ago that we had the discussions emanating to the retention of Reg Toews to take on the overview. There was the concern of program uniformity across the regions and hence the one delivery model or reinstatement of, if you will, the one regional development or regional delivery model for Winnipeg, was probably one of the more frequent recommendations I guess and I do beg off that I am going by memory which is some time ago, I did not expect the progress tonight that we have managed to achieve.

Clearly, there was identified—how would I put this in understandable and not to highly critical terms, there was concern at delivery, staff deliverer levels of who is in charge, who is in charge of the program, et cetera, et cetera, and that is where the effort of trying to bring three regions and uniformity of program delivery and flow-back has emanated to the discussions and that seems to be a fairly consistent recommendation.

Ms. Gray: Was there any recommendation about the concept of retaining or getting rid of the multidisciplinary team concept and or the single unit delivery system?

Mr. Orchard: No, not that I am aware of, at least not—it may have been recommended maybe by an individual, but it was not an often given recommendation, if that is what my honourable friend is after.

Ms. Gray: The Minister is indicating that in fact any concern about retaining a single unit delivery system was not a concern. I am wondering then if the Minister can indicate—he said that there was a concern about who is in charge. Is he referring to regional director level or district office level? Would he repeat that?

* (2040)

Mr. Orchard: I have to apologize to my honourable friend because I was tied up in other discussions. Could I have my honourable friend go through that again, please?

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Ms. Gray: The Minister spoke about who is in charge. Could he elaborate on what the concern was? Was it who is in charge as in a regional director or as in office manager or area manager?

Mr. Orchard: I cannot give my friend any specific quotable quotes, but between the three regions there was some concern that there was not necessarily a uniform approach on some program areas, where some administrative patterns were somewhat different, et cetera. Also, there were some programs, and again I am going by memory, where there was some central focus crossing three regions.

My honourable friend probably knows what I am talking about. There was one area—it sticks in the back of my mind there was one program which was staffed out of one of the regions, I think it was Winnipeg West, and offered services throughout the other two regions in one specific program area and that encountered some differences in terms of approach as you went from region to region. Again I am going by memory.

The concerns expressed were that I guess to put it bluntly that the old management system of one point of accountability as you move up the chain was a more effective methodology of program delivery in Winnipeg. There was not the opportunity for enhanced service delivery by splitting into three regions. I think that was a fairly consistent observation made by a number of people involved in program delivery.

Ms. Gray: The Minister has said this evening, and again I can appreciate he is going by his memory, that the concept of multidisciplinary team was not brought up a lot. I know the Minister himself has oftentimes mentioned the benefits of multidisciplinary team. Can the Minister indicate in this new structure which is a programmatic model as he has referred to it, is the multidisciplinary team concept? Will that be retained or will that be disbanded?

Mr. Orchard: No, the expectation of a multidisciplinary approach is expected to continue.

Ms. Gray: Can the Minister indicate in the new structure, is there going to be an aspect of a single unit delivery system where there is one point of accountability at the community district level?

Mr. Orchard: That is not a recommendation that is currently before it, not to say that it might not be in the final report, but it is not one that has been brought to Government to date.

Ms. Gray: The Minister refers to programmatic structure. Perhaps rather than me asking all these specific questions, maybe he could just explain to us what exactly is a programmatic model?

Mr. Orchard: Mr. Chairman, my honourable friend knows it better than I do. It is to attempt to have some consistency on programs such as Continuing Care or Mental Health Services throughout the Winnipeg region consistently delivered and with reasonable consistency delivered to the client throughout the City of Winnipeg.

As my honourable friend may well appreciate, there are always judgement calls with staff and clients because circumstances vary substantially in practically all of the programs that are being delivered in regional services. There are certainly guidelines, if you will, maybe the wrong terminology, but they are certainly suggested approaches. I think my honourable friend can appreciate that we may well have a slightly different approach to it depending on the individual that is delivering the program.

As much as possible we are attempting to achieve some consistency across the board so that there is not the accusation that in XYZ region something is done differently than in ABC region, that it seems to me was the genesis of some of the indication that having three separate regions you enhanced rather than decreased the opportunity to have that. The program model basically is attempting to provide some consistency in program throughout the regions in Winnipeg and then operating in Winnipeg essentially as a unit.

Ms. Gray: The Minister says I probably know better than him the programmatic model, actually I do not. I do not understand what you are meaning by programmatic model which is why I am asking the questions, although given that last answer I have a bit better idea.

Can the Minister indicate, is he saying then that as an example when the regions go back to one region that Continuing Care staff in a particular area of the city then will report to a supervisor, who will be a supervisor in Continuing Care, who then reports to a co-ordinator of the city and, i.e., Mental Health would be the same, the community services piece, because that in part and parcel would be the same? Is that what he is saying then, it is a strictly vertical structure in regard to program?

Mr. Orchard: Essentially, my honourable friend's analogy is correct. The program will be streamed, if you will, or managed in terms of the continuing care flow of program delivery. Our Mental Health Programs, our Public Mental Health Programs, the Public Health Program itself and the services to the disabled in the City of Winnipeg, those four major program streams will be delivered I guess in a programmatic model a la reporting function my honourable friend has outlined with one regional director.

Ms. Gray: How does the multidisciplinary team then function when you have each staff? I mean you could actually have all the Mental Health staff in one of the district offices, you would not have to have Public Health staff and Continuing Care staff even in the same office because they are all reporting to specific supervisors who are different. So how do you ensure that team concept, i.e., programs working together and what I would consider one point of community or team accountability? How does that work?

* (2050)

Mr. Orchard: Well, I think what my honourable friend will find a reasonable distribution of those staffing

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disciplines across the city, although they may not be physically located in the same office in some cases. In a lot of instances they will be because some of our major offices will have all four streams, if you will, of program delivery within the same office.

I think what is more important is whether on a client basis the accessibility, the reportability, the co-ordination between the multidisciplinary team regardless of whether they are housed next door in the same office occurs, and that is the objective that I think can be achieved with the programming flow and the reporting structures fairly consistent so that a problem that involves continuing care to a disabled Manitoban with both public health and, say, mental health needs, crisis intervention, in terms of stress or whatever, will be able to be co-ordinated not necessarily initially at the individual care deliverer's level but certainly at the supervisor or the next level where they co-ordinate the approach for those individuals.

Let me tell my honourable friend in many cases that happens now. My honourable friend shakes her head no. It does not happen consistently, that is the difficulty and that is what we are trying to achieve.

Ms. Gray: I do not think the co-ordination is happening now, is occurring now the way it should be, and I am wondering how this new structure repairs what is now existing, because we have clients phoning and we have people who are concerned because we do not have programs working together. Mental Health is not working with Home Care and Home Care is not working with Community Services.

There are instances of where the programs and the supervisors are not working together, and I am wondering how this new structure repairs or compensates for that.

Mr. Orchard: Mr. Chairman, I cannot describe to my honourable friend the mechanism under which it will work and be delivered. I do not sit up in my office and write programs on how these things—that is why we retained Reg Toews. That is why we have done some substantial consultation with staff over a year and a half in terms of trying to resolve in an equitable fashion the difficulties that appear to be in the Winnipeg regional system.

Mr. Chairman, I simply tell my honourable friend that is the approach that we are taking, and that is the approach that the reorganization and the program delivery is being crafted around. I cannot tell my honourable friend how we are going to functionally achieve the objective, the broader policy objective. I am sure my honourable friend would not expect me to be a program and management delivery specialist.

Ms. Gray: The Minister does spend time in his office though and is aware and actually has I believe initiated or at least has responded in Estimates last year. His colleague, the Minister of Family Services (Mrs. Oleson), said that there actually is interdepartmental committees that have been established to specifically look at some of the program difficulties between programs, such as Mental Health, Continuing Care, Mental Health and

Community Services. So the Minister is actually, by being Minister of Health, has said that those committees are ongoing, are attempting to do work to look at some of these difficulties, so there is an admission that in fact there are difficulties.

I am wondering how the work that the committee is doing and those difficulties how that is being reflected in the type of new program structure. I am sure, as the Minister says Mr. Toews, one of his first tasks was to identify issues, and I am sure given he knows there are interdepartmental committees he must be aware of those issues, how or has he been given any responsibility to specifically look at that issue in terms of gaps in service?

If the Minister will remember as well, and I am sure the Minister responsible for the Status of Women (Mrs. Hammond) has briefed him on this, when the committees on the Status of Women went around the province talking about services, and when they came to Winnipeg and even in rural Manitoba as well, one of the main complaints that was very consistent in those briefs and presentations was a problem with co-ordination of services between programs. It was clearly identified. I would think that this would be an issue that Mr. Toews would be aware of and I guess my question is, how is that being addressed in this new structure?

Mr. Orchard: Mr. Chairman, that is the same question that my honourable friend just posed. I cannot tell you the mechanical way in which that will be achieved, nor can I tell my honourable friend that it will be successfully achieved because I do not think that is an easy task. In my estimation it is a much easier task to achieve in Winnipeg where everybody is relatively close in terms of proximity of office, telephone, et cetera, et cetera. It gets even more difficult as my honourable friend rightfully identifies when you have the circumstance of a Camperville being served out of Swan River, where you have program people passing each other on the road and one not being able to deal with the problem because it was not within the program mandate, et cetera, et cetera. Those are very significant issues that are going to require a significant amount of interdepartmental co-operation to come around and devise an equitable solution.

Surely my honourable friend would want us to take first steps first because my honourable friend has posed the questions in the House, what about the grievances, what about the staff difficulties in Winnipeg region? I can assure my honourable friend that we have been working on that now for approximately 14 months and in a concerted effort for a substantial number of those. We hope to have that issue of reorganization guided or the guiding principles for resolution before us by year end, by the end of this month, by year end.

That is first step, but my honourable friend is not going to soon see the whole system change. She worked within the system and probably when working, there was as resistant to change as anybody because that is the nature of working in Government. You have to protect your turf and make sure you do not have anybody crowd your territory, you stay out of my

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backyard and you do not bother me. That does not always lead to an effective service delivery, and I think the Women's Directorate identified some difficulties in program delivery, indeed some inefficiencies and some ineffectiveness in terms of how various Government programs are brought to the people.

Those kinds of issues neither develop overnight nor are resolved overnight, but I think my honourable friend would have to concur that unless you have a management structure in place particularly in Winnipeg region that is conducive to that kind of planning of program delivery, you are not going to accomplish it. We are taking the first step hopefully with Toews, et cetera.

Ms. Gray: The Minister uses the phrase "protect your turf" and that is the very issue I am raising. When you have, and I think sometimes the problem is more compounded in Winnipeg as opposed to rural Manitoba because you have your program staff who are closer to the seat of power, i.e., their directorates and i.e. the Legislature. It is natural that where you have a program content whether that be Continuing Care or Mental Health Services, and you get a certain amount of budget and then you have responsibility, at least a staff relationship responsibility to staff in regional offices that you want to ensure that they are delivering the services within that program mandate whether it be Continuing Care or Mental Health. Because there is only so many amount of dollars, God forbid that they would ever be delivering a service for someone who did not strictly qualify to their program criteria.

What oftentimes happened, and not because of the staff but because of the way the system is established, is that territoriality results and everyone is fighting for limited dollars. If Mental Health feel that particular elderly person should be the responsibility of Home Care and just because they happen to have a mental illness they are not the responsibility of Mental Health, what happens is the client falls through the cracks and there is weeks and weeks and weeks spent arguing about who is going to provide the service and who is going to come up with the dollars. I do not think that a regional director of one region who has over 400 staff will be able to deal with all these cases specifically.

* (2100)

Each supervisor in each program has very much a vested interest and it is nice to say that, yes, staff and supervisors are the main concern as the client, but that does not always happen in reality. What happens is they have to be concerned about being accountable to their program directorates and their regional director in regard to ensuring that their delivery and services to clients who are eligible for their program.

I think my concern is if you do not look at a structure and you do not formalize a structure that deals with that, you are going to have further problems because right now there are a lot of difficulties and have been over the last three years with somewhat of a program model where you have clients that are falling through the cracks. I think that the main concern in any type of structure needs to be services delivered to the client.

Oftentimes, I think unfortunately that always is the last thing that is considered as what is best for the clients in the community.

The Minister referred to in some of the initial comments he made about what Reg Toews was responsible for that he would also be looking at an office management function. Can the Minister elaborate on what he means by that?

Mr. Orchard: I beg your pardon, that Reg Toews is looking at an office management?

Ms. Gray: You had mentioned office management functioning as being one of the areas that he was to be looking at as well as central administration, service co-ordination, and a central program focus; you also mentioned office management function.

Mr. Orchard: Office management function, I do not know whether I used those words or not, but I am not going to argue with my honourable friend, but in terms of one auditing management system across the region, across country region.

Ms. Gray: The Minister is indicating it is one auditing management system, that is what he is referring to?

Mr. Orchard: Financial management system.

Ms. Gray: So, in this new structure, is there any notion that as far as the district offices that there needs to be some type of co-ordination or management in district offices, is that for grabs?

Mr. Orchard: One of the uncovered difficulties, I guess of the three Winnipeg regions, was organizational structure that featured double and triple accountability. I think my honourable friend can clearly see that is not an effective use of scarce resource in trying to bring some similarity and consistency to that for the Winnipeg region by offering one financial system throughout Winnipeg region.

Ms. Gray: The Minister indicated that Mr. Toews was charged with this responsibility. Does not Reg Toews also have a committee, a group of individuals who work through Winnipeg regions who have been working with them on a regular basis?

Mr. Orchard: There is a committee that provided advice and input to Reg Toews.

Ms. Gray: What is the nature of the advice and input they provide?

Mr. Orchard: Well, I guess we cannot expect Mr. Toews after being out-of-province to have every single understanding of every single undertaking in the whole Winnipeg region. People are there to assist him in providing information and in assessment of where things work, where things do not work, where things need improving. That is the nature of the committee, and his experience in the past has been one of an effective problem solver manager. That is what we are hoping

he continues to do for us, but the committee of staff are there to give him whatever advice and input and assistance that he needs to come up with changes, come up with identification of problems, and indeed to test ideas on how new approaches might be received and how indeed they might work.

Ms. Gray: So each Member of this advisory committee then would be representing a particular, I would assume program, i.e., would be talking from a program perspective?

Mr. Orchard: I think that is a fair assumption. There is a good cross section of individuals involved across the three regions.

Ms. Gray: Does the Minister know who represents the Continuing Care Program on that committee?

Mr. Orchard: We will have to get that for my honourable friend.

Ms. Gray: The Minister also indicated in this discussion that there were some concerns at the last reorganization in regard to Treasury Board had not been notified, Civil Service Commission had not been notified, et cetera. The Minister, I believe and he can correct me if I am wrong, indicated this evening that his deputy had spent a considerable amount of time dealing with some of the classification and personnel issues that have been a result of what had happened in the past, or am I incorrect in that?

Mr. Orchard: What I indicated is that over the past, we will say for a time frame from approximately September-October until May-June, the deputy had undertaken a substantial amount of discussion. They were not narrowed into grievances or reclassifications or anything, it was attempting to find out how we can make the Winnipeg region delivery system, management system, more effective. That is what he spent some considerable time, it was not narrowed to any reclassification, red circling, or grievances although there is no question that was part of the discussions.

Ms. Gray: The Minister is probably aware that the Civil Service Commission, in regard to his staff in the Department of Health, have admitted that in fact the first point rating system that was done over two years ago was flawed, and in fact that process was invalidated. Given that I know the Minister would have an interest in his own staff in the Winnipeg region plus he would also be concerned about his Human Resources Department, given that the Civil Service Commission has admitted that, was there any review conducted to find out first of all who bungled, and why was in fact that whole process that was set up considered later on by the Civil Service to be flawed and therefore invalidated?

Mr. Orchard: Mr. Chairman, we did an audit apparently on the process and again I am going by memory. This has been a rather difficult scenario because there have been mistakes on all sides of the issue and that has made it an extremely frustrating process, one where

there has been—I think it is fair to say some animosities developed because of the process. Certainly there are individuals who have felt disenfranchised and/or threatened by the whole process and it was a circumstance, and I simply have to offer this as an example of maybe the challenge the issue presented.

My Deputy Minister has a background in personnel, and he said it was one of the more interesting ones he has ever been involved with. That is why we brought in the fresh outside perspective of a Reginald Toews in order to give an impartial overview with the guidelines that my honourable friend has attached on the contract to try to get to a reasoned resolution of the problem because there was in terms of reclassification, if my memory serves me correctly, even incomplete information presented by personnel in Health and by Civil Service Commission people representing at the hearing. I am going by memory on this.

* (2110)

It has been a very, very difficult issue and we are dealing with the careers of a number of people as a result of it. It has not made their circumstances rosy, if you will, having this issue go unresolved.

Ms. Gray: The Minister said that there were errors and mistakes on all sides. I am assuming he is meaning the Department of Health and the Civil Service Commission when he says all sides. Am I correct?

Mr. Orchard: That is my recollection in community services, but that was a given that I think my honourable friend—

Ms. Gray: Can the Minister indicate, and I am asking these questions because we are going into another reorganization and I know the Minister would agree that we do not want to see those mistakes again, but were people in his department then held accountable for those errors that they made?

Mr. Orchard: If my honourable friend is asking, has anybody been disciplined or demoted or dismissed, not to my knowledge. Apparently there were some verbal discussions with the individuals.

Ms. Gray: Is there sufficient information from the review or what happened in the past to ensure that these mistakes are not made again, given that we are going into another reorganization? Were there some particular—lesson is not a good word—but were there particular pieces of information or recommendations from this review that the Minister's staff has so that they know these are the things that we need to do in this upcoming reorganization in regard to staffing and classification and job postings, et cetera and these are the things that we make sure we do not do.

Mr. Orchard: I think that is probably a fair analogy my honourable friend makes. We might have erred in the same manner that the original error, had we moved quicker early this year because things were pointing in a given direction and had we moved in that direction I think we would not have resolved the issue. That is

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why we pulled back and did an impartial retention of Reg Toews.

From what I understand of the issue, and appreciate that all I am doing is reading words on paper, sometimes I have not the fastest ability to comprehend. I think what is emerging from here is that (a) there was a decision made without the normal, what one would consider to be the normal process of discussion and consultation, i.e. through Treasury Board, i.e. through the Civil Service Commission. As a result of that, some errors were made, perceived and real, and ended up stirring the pot and boiling the issue for far too long and causing disenchantment with the system and dissatisfaction with the way the issue was dealt with.

I want to tell my honourable friend I recall bringing this issue up some three or four years ago in the House. There was a certain amount of consternation raised at the senior staff level and Ministers level when I raised the issue because I think the process sort of gained a momentum and a life of its own when it happened, but I simply cannot indicate what that was or how that happened. Currently we are advertising for a regional director and we wish to follow the reorganizational checks and balances of Treasury Board and Civil Service Commission so that we do not have staff feeling disenfranchised or improperly treated.

Ms. Gray: The regional director position that is being bulletined, I would assume that there is a position description that would go along with this job bulletin so that a potential individual knows exactly what job they are getting into.

Mr. Orchard: I am informed that is correct.

Ms. Gray: Can the Minister tell us, and he may not have this information, as in most bulletins it says affirmative action will be a factor in the selection process, what exactly does that mean in regard to this particular job? Will there actually be points assigned to target individuals or what does that mean?

Mr. Orchard: I am told that all criterion being equal, in terms of the selection process, benefit would be given to an affirmative action candidate.

Ms. Gray: Is it correct that as well as once the regional director is hired when you get your hundreds of applications of people who will be applying for this job, that in fact there will then be program co-ordinators and the Minister referred to the four streams so that there will be program co-ordinators, and that may not be the terms used, but will then be hired for the one Winnipeg region, is that the next step?

Mr. Orchard: Bear in mind, that presumably will be one of the central focuses of the Toews report. To prejudge and to prespeculate what that might do in terms of individual co-ordinators' positions, et cetera, et cetera, I simply am unable to do at this stage of the game.

Ms. Gray: The Minister can correct me if I am wrong, but are not the staff in the Winnipeg region, particularly

supervisors, have they not already been made aware that in fact there will be these positions and a lot of them are thinking about their next step as if they should apply for the jobs?

Mr. Orchard: I am informed that the indication has been their four positions, but they have not been advertised.

Ms. Gray: Now a few more questions in regard to these four positions so that again we do not repeat history. I am assuming that these positions will be open only to individuals in the Winnipeg regions. Or, are these co-ordinated positions or will they be open to internal civil servants in any departments?

Mr. Orchard: The advertising process will be open to anyone, I mean qualified individuals from inside and outside Government to apply. There is no magic to it—it is an advertising and we hope to select the most appropriate person from that.

Ms. Gray: Will there be position descriptions for these four positions developed, and will these jobs be point rated so that people know what the classification will be before they apply?

Mr. Orchard: I am informed that is correct.

Ms. Gray: As an example with, let us say the continuing care co-ordinators, program managers, whatever they are called, we have three positions in the Winnipeg region, if that continuing care co-ordinator for the entire region—and let us say the bulletin is there and someone other than those three who are currently in those jobs gets the job what is going to be the process to ensure that these other individuals who would be at an HS6 level, what will happen to them? Are we going to go into the situation we are going to be into red circling again?

Mr. Orchard: Mr. Chairman, I cannot answer that today as to what would happen because what we are dealing with is a hypothetical question—what if? Until the hiring and the reorganization is complete I cannot answer what happens to specific individuals within the regional organization and I do not think my honourable friend would expect me to, because that would mean that I had a prejudgment of who ought to go where and that is not the case.

* (2120)

I simply go back to what I indicated to my honourable friend, is that we intend to follow the appropriate procedures in the Civil Service Commission and with the Treasury Board to assure a reasoned reorganization that is not found wanting as the previous one was. I am not going through this whole exercise of 18 months and taking this long to come to a plan of action to not hopefully do it correctly.

If we simply wanted to forge ahead I guess we could have made some decisions in January of this year, but in retrospect some of those decisions may not have been proper, and I think the prudent course of action

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we are following will prove itself and its effectiveness when in place.

Ms. Gray: Mr. Chairperson, it is a lot more than "what if," because the Minister would be aware that with the amalgamation of the three regions into one, hopefully one of your objectives is to move towards greater efficiency.

I recall the Minister himself when he was in the Opposition Party very severely criticizing the then Government about the move into three regions because they went from 11 supervisory positions to 41, so I am assuming that one of the reasons we are going back into one region is the hope that in fact there would be achieved more efficiency. Because there are so many supervisors who are heads of programs in each of the three regions, one would have to assume by simple mathematics that there are some individuals who will—everybody will not be able to get those four or so jobs.

I guess my question is, what process has been put in place or what has the staff been told in regard to should they not be successful, if in fact they even apply for the jobs.

Mr. Orchard: Mr. Chairman, I do not know how many more times I can say it, I cannot tell my honourable friend any more that the Civil Service will be involved, Treasury Board will be involved, so that individuals will be treated properly in the process whether it is through promotion or any other means that emanate from the reorganization. We are not here to create another area of concern that we inherited. I cannot tell you, because I am not a personnel manager, how it will happen or what will happen.

We have a conceptual model which we think is moving in the right direction in terms of its development. There will be advertising of future positions that are in need of filling in the reorganized delivery structure. I simply indicate to my honourable friend that we will accept the guidance of the Civil Service Commission in terms of any decisions, the likes of which she has just hypothetically speculated as occurring.

Ms. Gray: Mr. Chairperson, well, they will occur. Since we still have the three regions, and going back to the three regions now in regard to service delivery—and I am not sure how up-to-date I am but just to clarify—the Minister still has public health co-ordinators or program managers in each of the three regions, and my question is, because I am assuming he does have that, are these jobs similar in the regions?

Mr. Orchard: I am informed that there is one in each region, yes.

Ms. Gray: Are the jobs similar?

Mr. Orchard: Apparently there is similarity in the job, yes.

Ms. Gray: Can the Minister tell us what the difference would be between the co-ordinator in Winnipeg North and the co-ordinator who had a similar job a few months

ago in Winnipeg South, what the differences were in that job that led to one job being an HS5 and one job being an HS6?

Mr. Orchard: Mr. Chairman, no, I cannot, but I will attempt to provide my honourable friend with that information. If it is involved with the reorganization three and a half years ago, and if she has given me enough detailed information, as to what the position is, I will attempt to find that out for my honourable friend.

Ms. Gray: How much responsibility or latitude do the current regional directors have, in terms of determining what the responsibilities will be of the various program supervisors?

Mr. Orchard: I am sorry, I was giving off a note there. What was that again?

Ms. Gray: Can the Minister tell us how much latitude do the current regional directors have in any regions, Winnipeg or in rural Manitoba, in regard to determining the specific responsibility and roles of the various program managers or supervisors?

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

Mr. Orchard: I think it is fair to assume that each of the regional directors is basically following the same policies and procedures manual. I think it is also realistic to assume that the way certain policies may well be undertaken and implemented in a Winnipeg region versus the Norman region, or the Interlake region, may vary significantly in terms of deployment of staff and how they undertake their duties, simply because of the physical challenges of a different client area, distance, remoteness, even differing needs, in terms of what the various programs need, and the varying levels of resource available, in terms of community support, throughout the province. To my knowledge, they all follow the same sort of central manual or manual administration, and they get the job done as effectively as they can.

Ms. Gray: Good. Can the Minister indicate that with the regional directors, do they have any authority at all to add on job—I know they have authority to add on job responsibilities and change job responsibilities to a certain extent, but do they have the authority to add on job responsibilities and change job responsibilities that ultimately affect the classification of those individual positions?

Mr. Orchard: I can answer the question in this regard that if there is a—I think my honourable friend is asking, can a regional director unilaterally change the position, the staffing, and the classification of one of his employees? No, she is stopping short now.

Ms. Gray: Perhaps it would not be the classification, but it could lead to an ultimate classification change. I am talking about changing job responsibilities that ultimately affect the classification, whether an upward movement, or a downward movement. What is the process the regional director follows? Do they have

authority to do it unilaterally, or do they have to follow a process, or can they do it at all?

Mr. Orchard: I will tell you what, in order to resolve this burning issue I am going to have a report, a one page criterion, written up and given to my honourable friend hopefully tomorrow so that the process of flexibility involved is explained. Then if my honourable friend needs more explanation, we will try to explain more tomorrow, because I cannot answer that tonight.

Ms. Gray: Mr. Acting Chairperson, can the Minister indicate to us, in regard to the move into one region in Winnipeg, I know there also had been some concerns expressed about the service delivery system or the structure of a number of other regions, Eastman I believe was one of them, in regard to that structure, or there has been in the past couple of years? Is there any review or any movement, in terms of change in structures, in any of the other regions of the province?

Mr. Orchard: No.

Ms. Gray: Is the system in Eastman still that when you have a program co-ordinator, such as a continuing care co-ordinator, that person also assumes administrative responsibilities for a particular district as well?

Mr. Orchard: I am informed that is correct.

Ms. Gray: Is that system working well, or has it been reviewed?

Mr. Orchard: There has been no formal review, and I am advised it appears to be working well or working reasonably well.

Ms. Gray: Is there still an assistant executive director that the regional directors report to?

Mr. Orchard: As long as I understand what happens here, apparently there is a position open for secondment of assistant to the executive director, not assistant executive, but assistant to, and it serves as the basis of allowing an opportunity for management training of those people brought into the assistant to the executive director position to give them a little better feel for the management structures in the region.

* (2130)

Ms. Gray: Where does the SY come from, or does that person have to bring their own SY with them?

Mr. Orchard: Can my honourable friend explain, or ask her question again, because I think we are talking about two different things?

Ms. Gray: With his position that is assistant to the executive director and the Minister has said that it is a position where someone is seconded, so I am asking does whoever gets seconded, and I think someone is in that position right now, do they bring their own position with them?

Mr. Orchard: I think I understand my honourable friend's question now. Essentially the position is the same one that was freed up when under the re-organization there were two executive directors, John and John. Now there is only one John, and the second position was freed up to provide that assistant to the executive director position.

Ms. Gray: That assistant to the executive director, is that particular position—is that part of the review that Reg Toews is undertaking, in regard to the necessity for that position?

Mr. Orchard: I am informed that this -(inaudible)-.

Ms. Gray: Has it been determined, because this is a new position, is this position seen to be something that will be a permanent part of the organizational structure of the department where you have an assistant to the executive director, then the executive director, then the ADMs?

Mr. Orchard: Run through what you think is going to be.

Ms. Gray: I am wondering if this assistant to the executive director—is that seen as being a permanent feature, i.e., a position that should always be there because it is needed? That is my question.

Mr. Orchard: At the present time, because it was not part of the Toews investigation, we anticipated it would remain as part of the organizational structure and the management structure, but you know it is not written in stone. If it has served a useful purpose, and there are more effective uses of that SY within the regions, that decision could be made. We are not bound in the long haul to it but it is going to continue, at least for the immediate time period, after the reorganization period.

Ms. Gray: Rather than me asking the differences, or what that assistant does versus what the executive director does, does the Minister have or could he provide us with job descriptions for us so that we could understand the two positions?

Mr. Orchard: That will be done.

Mr. Ashton: Mr. Acting Chairperson, I feel like I know this section of the department inside out after the last series of questions and I feel I should be applying for some of these jobs when they come up. I would probably do very well at the interview, thanks to the -(interjection)-well, that one in particular. I may not have the qualifications in other regards, but I could probably ace the interview after this last hour—

An Honourable Member: Do not get your hopes up.

Mr. Ashton: —and 15 minutes for that exchange, well, the Minister—

Mr. Orchard: Mind you, you could be unemployed after the next election.

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Mr. Ashton: —trade technologies—do not get your hopes up, it is okay, I will not be applying for this job, I do have another job in mind for—Well, to see how many more years the people of Thompson are willing to hire me for.

I would like to raise a couple of questions in terms of regional services, in terms of rural and northern communities, recognizing the variety of services provided in each particular region. I know we are dealing with everything ranging from Communicable Disease Control to Audiological Services, Maternal and Child Health, Health Promotion, the whole series of health related areas, as well as of course the community services side, which works in tandem.

I would like to ask the Minister for an update on the current situation, in terms of speech language pathology. I know it is something that has been raised with myself directly by constituents. I know there is very little, if any, service available particularly to people outside of the City of Winnipeg and I would like to ask the Minister for an update on the current availability of speech pathology in the Province of Manitoba at the current time.

Mr. Orchard: Speech pathology is one of the more difficult areas in terms of recruitment and program delivery that we inherited. Manitoba has an interesting system wherein the school divisions have essentially got on staff, throughout a number of school divisions, speech language pathologists to assist students in the school system.

I have to tell my honourable friend I have a rather—well, I do not know whether you would call it amusing farmer logic or what, but it seems to me that the area where we ought to focus the resource is not necessarily kindergarten and on, as is predominantly the system within the school system today. Rather the earliest intervention possible to me would be the most effective, therefore I am a believer that we ought to be moving very, very briskly in terms of service provision for preschoolers.

(Mr. Chairman in the Chair)

Now there are several issues I want to share with my honourable friend. First of all, we did that to some degree last summer, in terms of the Health Sciences Centre. We provided some additional resource to the Health Sciences Centre, which allowed them to hire some additional speech pathology, audiology, staff. It was quite successful. I think it is fair to say quite successful, in terms of the audiology side for preschoolers, but the announcement, which was greeted quite optimistically by concerned parents, created an impression unfortunately that all the problems are being solved. Instead of the waiting lists, in terms of numbers and waiting time, going down they in fact went up at the Health Sciences Centre for speech pathology.

Now that hides the fact that there are more children being served, because the additional staffing positions have allowed us to do more assessment and do more speech pathology intervention, but it created expectations. The waiting lists have grown and the waiting times have grown.

From my standpoint, I think it is an appropriate direction that Government ought to try to, as quickly as possible, refocus the system so that we deal with preschoolers, because if we—it only makes sense, and in my discussions with the speech language therapists of the Province of Manitoba and their association, they indicate that the earlier intervention is (a) the most effective, (b) requires the shortest length of time, in terms of remedial therapy, and I do not understand what all they do. I am simply not able to discuss clinically what services they provide, but I am told that the earlier intervention takes less time, and has a greater degree of success than the kindergarten and later service provision.

I think it is a wise direction of Government to move as quickly as possible towards provision of preschool services. In that regard, as I said already, we enhanced the resources of the Health Sciences Centre and Dr. Alexander's shop. That helped but it did not resolve the problem. I do not think anybody expected it would, certainly we did not.

Then we had a study undertaken on the therapies by Dr. Bill MacDiarmid wherein he gave us some recommendations on occupational and physiotherapy. We have exceeded his recommendations, in terms of additional slots at the faculty, so that aspect of the therapies appears to be now coming on track, but we still have a significant challenge in speech pathology, (a) because we do not have a training program in Manitoba.

There are two things that have happened, in terms of hopefully helping our recruitment efforts. Firstly, the MacDiarmid Report has made some recommendations, in terms of student support in return for service, and we are actively considering that as a new initiative and policy of Government. Again financial resources are going to determine how far and how quickly we can move.

Secondly, it did not receive a great deal of attention, but the Premier (Mr. Filmon) signed a reciprocal agreement with the Governor of Minnesota. That reciprocal agreement allows Manitoba students to enroll in the universities of Minnesota without what was once a fairly onerous increase in the tuition fees. They do have speech language pathology training programs at at least one of the universities in Minnesota, and we see that initiative as being yet another opportunity to, in the short term, get some students in there so that we can create a made in Manitoba solution.

* (2140)

I simply say to my honourable friend, and I have said this to my honourable friend, the Member for Kildonan (Mr. Cheema), who has raised this issue, we have got a significant challenge in providing speech language pathology services in the province. We are not going to achieve an overnight resolution of the problem, but clearly, Government understands the magnitude of the problem and we are prepared to take pro-active steps to try to resolve it.

Mr. Ashton: It did not outnumber the initiatives the Minister outlined, and I certainly see them as being

positive. We are in a situation essentially where virtually anything that can be done is going to result in an improved system when we are dealing with rural and northern communities, because essentially this is a service that if it is existent it is next to non-existent, as far as rural and northern Manitobans are concerned.

What I would like to ask is what areas of the province outside of Winnipeg receive any speech language pathology service at all.

Mr. Orchard: We are very sparse. We have half a position through Family Services in Dauphin and a position in the Interlake region. The balance of the positions are primarily on the education side. There was just recently, I am going by memory, a position filled through education in southcentral. I ran into the individual there, she is working out of Morden.

Mr. Ashton: What is the situation in Winnipeg? I know the waiting list was fairly extensive at one point in time. I assume the initiatives were taken to reduce the waiting list somewhat. I would like to ask how many speech pathologists there are in Winnipeg, and what the current status of the waiting list is.

Mr. Orchard: We may not be able to access that information quickly so we will provide that tomorrow, if my honourable friend is agreeable.

Mr. Ashton: If memory serves me correct, I believe the waiting list had been as high as a year, and I was assuming that the new initiative that had been taken in Winnipeg had reduced that somewhat. I would certainly appreciate the information.

I know it has been a concern in Winnipeg although, as the Minister identified, the service is virtually non-existent outside of the City of Winnipeg. It is a major concern, as I said I have had direct contact with parents who virtually pleaded for this type of service from the school district, for example in my area. It is a service that is not readily available. It is sad, because it is a type of therapy that—speech language pathologists were very successful in some cases, in terms of getting in and making a huge difference at an early age. I think the Minister is quite correct, the earlier the intervention the better.

I have known some individuals personally who have had children of theirs who have gone through some of the therapy that is available now, speech language pathology that is available, and it has had a dramatic impact on their children. I certainly hope it is a service that is made available.

I would certainly appreciate that information, if the Minister has it, in terms of the Winnipeg situation, to see if there has been—you know for the people of Winnipeg who I suppose are more fortunate in some ways, obviously the service has not been at the level of the demand in Winnipeg even. I am hoping that the situation will improve.

I wanted to just shift over to another area, in terms of the section of this department's operations, and ask the Minister if there have been ongoing problems, in

terms of recruitment into the various regions, for positions for the various activities of this particular section.

I know in the case of my own community once again, there has been as many as eight positions that have not been filled. There has been a serious problem, in terms of filling a number of the vacancies in the department. What I would like to ask the Minister, as a quick update on the status of the various regions, whether they are having any recruiting problems and specifically what areas the recruiting problems are.

Mr. Orchard: We have difficulties in recruitment in three regions, Thompson, Norman and Parklands. The other regions are—they are never without problems, but they are not unusual problems. In Thompson, Norman and Parklands there are difficulties, and I think—I am informed that right now inclusive of Thompson, Norman and Parklands that we are very close to a full complement right now. Recruitment is more difficult into the three regions I mentioned, or more challenging I guess is the word.

Mr. Ashton: I know in the case of Thompson, they recently had advertised, although they were on a second go-round in terms of the number of positions, because the first competition had not resulted in a sufficient number of qualified people being identified. I am wondering if the department has done any analysis of why there is the problem. We have discussed the situation with doctors, for example, at length and there is a shortage of nurses in some fields particularly in northern communities.

I am wondering if the department has looked at why there is a problem. Is it because of the level of qualification that is being asked for? Is it because of perhaps the salaries not being competitive? What are the basic bottom line reasons behind the shortage of individuals for the department in Thompson, the Norman, and the Parkland region?

Mr. Orchard: To try to come to grips with the issue, the department does not do exit interviews to determine what circumstances have lead the individual to move from the region, and I guess there is, as my honourable friend could appreciate, quite a variety of reasons given, from housing, from lack of professional support, and remoteness, to other personal reasons.

The two departments, Family Services and Health are working right now on a strategy, with the hopeful outcome of improving our ability to recruit into difficult to recruit areas like Parklands, Norman, and Thompson.

Mr. Ashton: I would certainly suggest the Minister look into those concerns. I think there probably are a number of reasons. I think in some cases the salary has not been competitive, or at least not seen as being competitive, for individuals with the qualifications that have been requested given the relative isolation. I think that is going to become a more difficult problem, incidentally, with the removal of the Northern Tax Allowance in the Thompson, Norman, and even in part of the Parkland region because communities down to

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Sifton, for example, have been eligible for the Northern Tax Allowance previously, so I would expect there would be continued problems.

In fact additional problems now, because one of the incentives for attracting staff has been removed. In my discussions with people in the department, and I am not just talking about those that are leaving, but also the successive competitions, there has been some concern about the qualifications that have been required. I think some concern about the starting salaries not being sufficient to attract people with those qualifications. So I raise that for consideration by the department.

I am not in that field myself. I am not claiming to be an expert, but that has been raised with me. I think perhaps one thing that may assist in the Thompson region would be the new facility. I think that is something that certainly is going to be very appreciated by the staff. The conditions were certainly overcrowded. It was certainly a top priority, in terms of the need, the capital needs, and I think that will make something of a significant difference in itself, because that had I think a very strong negative impact on morale. The growth of the department has long since outstripped the facility available. So I certainly would appreciate information, if the Minister is able. I would also appreciate some indication of the turnover in those communities, and if there is any variance between the different positions that people have in those communities whether there is a specific problem in certain fields.

These I know for example, one of the areas of shortage recently has been in the area of mental health workers. In fact, I would ask the Minister if there has been a greater or lesser problem in the various sections of Regional Services. Have the shortages of staff been concentrated in any particular areas?

* (2150)

Mr. Orchard: Mr. Chairman, I am told that the specific area, and particularly as it applies to Thompson, is in terms of social workers who are being recruited on both the Family Services side and the family division as well as to provide service in the department, specifically in the mental health worker field. It has been social workers that we have had some additional difficulties in terms of recruiting, but I also reiterate we are very close to a full complement now. We have had a fairly successful recruitment drive.

Mr. Ashton: In terms of dealing with this section as well, I just want to deal briefly with a couple of other items. One is in terms of the Northern Health item. I note that despite the exchange in last year's Estimates the Minister has continued to decide to identify the Northern Health section separately from the other aspects of regional services, the Northern Health Program, in particular, providing programs to registered nurses and community health workers.

Obviously, it is not the entire part of the budget directed towards Northern Health, in fact, it is only a very small part of it. I would like to ask the Minister what initiatives have been undertaken in terms of the

Northern Health section that is identified in this particular section of the Estimates.

Mr. Orchard: Mr. Chairman, I was distracted with a little side comment. In terms of Northern Health the removal from a separate line to here is reflective of two things: a) this is where the services are delivered, and b) as my honourable friend can see, there is a significant change in the emphasis if one wants to consider resource on Northern Health issues. I think that is demonstrative of an increased emphasis in terms of Northern Health as an issue this Government takes seriously.

Mr. Ashton: Once again looking at the discussions last year—although there has been a shift in terms of this item being put under this particular item it still appears as a separate item, perhaps contrary to what the Minister was suggesting he might do last year. Since it is a separate item I would like to ask the Minister, once again, what activities are being included as part of this separate budget line under the Regional Services section of the department.

Mr. Orchard: The Northern Health line provides primary care and public health services in difficult-to-access areas in northern and rural Manitoba. It includes service delivery in nine provincial nursing stations in the following communities of Moose Lake, Easterville—Easterville being the nursing station we have committed to new construction that my honourable friend will be pleased to know—Conrad, Sherridon, Ilford, Thicket Portage, Pikwitonei, Wabowden and Grand Rapids.

Mr. Ashton: What shift has taken place? Obviously, the Minister has moved the item over, kept it as a separate item under the Regional Services Department. What activities have been shifted over from Regional Services itself to form part of this Northern Health line in this particular section?

Mr. Orchard: I think the answer to my honourable friend's question is, approximately \$34,000 of a service shifting from Regional Services in terms of physician services specifically.

Mr. Ashton: So the \$231,400 is in terms of program direction, which was previously the focus where it deals with a broader range of areas now as an identifiable item, because that was the previous focus of this particular section that appeared independently, and that was program direction essentially to the nurses and Canadian health workers in the North.

Mr. Orchard: I am sorry, I have to get my honourable friend to repeat that question. I was just going through some of the explanation here.

Mr. Ashton: I indicated previously that this section provided program direction to nurses and community health workers in that particular field. It appears that the Minister has broadened the scope of this particular section by rolling in other activities.

I was just trying to get a clear idea of—and we are dealing with Northern Health now—what it deals with,

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because essentially previously it was more program direction. It ran various seminars. It was educational for people in the field in the North. It was not an operational item, if you want to use that terminology. I am just trying to get some sense of what the Minister—when I read the Northern Health item now—what essentially the focus is.

Mr. Orchard: It is a combination of both now in terms of providing the in-service training costs for community health workers and northern nurses, the operating supplies and equipment in part for northern nursing stations and of course the books, publications that are used by the nursing stations, as well as, contractual arrangements for physician service delivery in a number of communities, the largest portion of it being a commitment to the Northern Medical Unit for the services they provide in a number of communities.

Mr. Ashton: I appreciate the information. As I said, I find it interesting that the Minister, after his statements last year, has moved the item over but not eliminated it, in fact, has probably enlarged it by bringing in various other activities. I know he went into some great length in last year's Estimates. I was not here, but I did read the Minister's comments.

It seems the Minister had a bit of a change of heart in terms of trying to eliminate this line of the item, in fact, has gone to some extent to try and enlarge it.

So while it does not necessarily involve any major increase in terms of programs, it is certainly interesting that the Minister has seen fit to recognize the North certainly as an item that should, perhaps if not have an independent line in the budget should have a dependent line under Regional Services, but a bigger one, or what appears to be a bigger item, although in fact it is various other activities.

I find that interesting too, because we talked about creative budgeting earlier when we were talking about Continuing Care. It seems the Minister, to my mind, has maybe mastered the art when it has come to northern services, because when I look at the change from the past year to the current year it is certainly interesting to see the transformation of the Minister in terms of now being very creative in his budgeting.

I am not saying it is going to do us, in the North, much good, but it certainly, I am sure, will be interesting to see how this Minister deals with—

Mr. Chairman: Shall the item pass?

Mr. Ashton: In fact, I would suggest that if the Minister wants to be really creative in terms of Northern Health services we certainly would not mind additional resources being put in a number of areas in the future in northern Manitoba. That is probably the most appropriate way to go.

I did, however, want to ask a question. I raised it very briefly before and that is in terms of the—this was a couple of weeks ago actually—in terms of the relationship between medical services and the provincial Government. In fact, in 1988 I know Manitoba Health

had been involved with Swampy Cree Tribal Council in a tripartite discussion on transfer of control. I would like to ask the Minister if there has been any further development from that particular discussion with Swampy Cree and whether the department has been involved with any other discussions with other tribal councils or other Native organizations.

* (2200)

Mr. Orchard: Mr. Chairman, the department is in process of discussions with Swampy Cree to determine what we can mutually do together in service delivery, but we do not have anything written, signed or anything like that. We are in the discussion stages.

Mr. Chairman: What is the will of the committee, the hour being 10 p.m.?

Mr. Orchard: Mr. Chairman, my regional director has a funeral tomorrow and if we were to spend another bit of time tonight we could possibly get through the issue and pass it.

Mr. Ashton: I would rather the committee rise so that I can give notice that the other question I had was in terms of medical officers of health, so if the Minister wishes to be briefed in terms of that.

Mr. Orchard: What is the question? We can discuss it because the Assistant Deputy Minister will be here tomorrow for medical officer of health.

Mr. Chairman, I am prepared to sit to pass the item if that is the will of the committee.

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

Mr. Ashton: I am not trying to not be accommodating, but I had indicated to somebody I would be meeting them right after the adjournment. I had not anticipated sitting later. I would suggest we leave the line open, but I do not suggest it will take that long to pass it on Tuesday. I do not have any large number of questions.

Mr. Orchard: If you do not have any large questions, we could pass it in fairly short order tonight then.

Mr. Cheema: Mr. Chairperson, if the Member for Thompson does not mind, we can spend maybe 10 or 15 minutes more and go through the section, because tomorrow then we can start the next section if the regional director has to go to a funeral.

Mr. Chairman: Is there will to continue and pass Regional Services?

Mr. Ashton: I would ask that we not deal with it. We are past the normal hour of adjournment and I have suggested that committee rise. I am just trying to accommodate the Minister and staff by indicating it will not take any great length of time tomorrow. So committee rise.

Mr. Kevin Lamoureux (Inkster): Mr. Chairperson, maybe if the Member for Thompson does have a

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question that he would like to put on the record, I am wondering if we can then just ask a few questions so, while the regional co-ordinator is here, we will get our questions on the record. After we have done that we just will not pass this particular line so the Member for Thompson can continue to ask questions. I think it is important that we ask our questions while this particular person is here to possibly facilitate in answering the question.

Mr. Ashton: Mr. Chairperson, there was no indication that we might go past 10. Perhaps if the Member for Inkster had been here he would have seen that ample opportunity was given to his caucus members to ask questions. I try to be very accommodating in terms of that, but I had made commitments. I had assumed we were going to be rising at 10.

I am trying to be accommodating. I do not feel it is appropriate to continue to ask questions of this type after the normal hour of adjournment. If the Member wants to give notice to the Minister again privately, then we can deal with it fairly expeditiously tomorrow. I am not trying to hold up the committee, but committee does normally rise at ten o'clock.

Mr. Orchard: Can I offer a suggestion that the Liberal Health Critic (Mr. Cheema) is wishing to pose some questions which are more appropriately answered by the executive director, and there is no prohibition for going past ten o'clock to do that? If my honourable friend, the Member for Thompson (Mr. Ashton), is unable to be here, then we will simply await his return tomorrow and answer his questions on medical officer of health which we can deal with retroactively, since we have already passed the section under which we would deal with medical officers of health. We are willing to accommodate my honourable friend from Thompson in that regard.

Mr. Ashton: I believe, Mr. Chairperson, we were scheduled to adjourn at 10. It has been five minutes back and forth on this. I feel we should stick to the adjournment of 10. I receive no indication that anybody is willing to go past. I have some problems with this. It is not like the normal situation where if someone has to leave early you can obtain the Hansard in terms of following questions from other Members' comments. I think that is something we cannot accommodate by tomorrow, and I think it is important we stick to our adjournment hour of ten o'clock.

Mr. Orchard: Mr. Chairman, my honourable friend is concerned presumably about a commitment he has at ten o'clock, and that we may pass this item in his absence. If it would help my honourable friend, I will tell him, my honourable friend from Thompson, that we shall not pass the item until after he poses his questions tomorrow which are not questions that are the responsibility of the executive director of Winnipeg regions.

However, the official Opposition have made a very reasonable request that they take 10 or 15 minutes this evening to pose questions appropriate to the executive director since that individual, the executive

director is not able to be here tomorrow because of personal commitments. I do not think that in any way obstructs my honourable friend, the Member for Thompson, from carrying on his obligations past ten o'clock. We will not pass the item, we simply are able then to more appropriately answer questions posed by the official Opposition. I do not think anyone is being unduly affected by that decision.

Mr. Ashton: Mr. Chairperson, we had it an hour, ten o'clock schedule. No notice was given to me by the official Opposition. I have some difficulties with sitting past ten o'clock with no other member of my caucus being here because I was not aware that such a request had been made. If I had even known five or 10 minutes before, I could have made sure someone was sitting here to make sure that I would be aware of the discussions that take place. I know that is a major concern in our caucus, to make sure that we have somebody who does have a current tab on what is happening in terms of the Estimates. I still think we should adjourn at ten o'clock. If the Members want to discuss the questions with the Minister and give notice so they can be asked here tomorrow I do not see any difficulty with that, but we have an adjournment hour of ten o'clock.

Mr. Lamoureux: I believe after ten o'clock, in order for us to adjourn, there would actually have to be a vote. I think the Member for Kildonan (Mr. Cheema) has some serious questions that he would like to put forward and have the regional co-ordinator here because for compassionate reasons, he is attending a funeral tomorrow, she is not going to be here—I am sorry, he—that we be able to put forward the questions, we are not going to pass this section. It is only going to take 10-15 minutes. In fact, we would have been more than half way through it in all likelihood by now. I would suggest that we continue on with the question from the Member for Kildonan (Mr. Cheema) because in order for committee to rise at this point in time there would have to be a vote.

* (2210)

Mr. Orchard: Mr. Chairman, my honourable friend from Inkster makes a most reasonable proposition, and I have indicated to the Member for Thompson (Mr. Ashton) that if his concern is that we pass item 67, that will not happen. He can still pose his questions tomorrow. I cannot understand why my honourable friend from Thompson is wanting to deny the opportunity to the official Opposition to pose questions to an individual who is not able to be here tomorrow.

He does not have to sit here past ten o'clock to allow the official Opposition to pose those questions. I get the sense that my honourable friend is just being obtrusive in this move and obstructive, because what the Liberal Opposition has proposed is a most reasonable, a most reasonable approach. I cannot see the difficulty with my honourable friend from Thompson acceding to it.

Mr. Chairman: I would like to thank all Honourable Members for their input, and cite you Rule (8):

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Committee of Supply to rise at own discretion. Where the Committee of Supply, or section of the Committee of Supply, is sitting at 10:00 o'clock p.m. on any day, the Chairman, or the Deputy Chairman of the Committee shall not leave the Chair at that time but, subject to sub-rule (9), the Committee shall continue to sit and shall rise at its own discretion.

Mr. Ashton: I just want to indicate that I take objection to the Minister's statement that I am denying the Liberal Party, the Opposition, their critic to ask questions. If you will check the time allocation today the Liberal Members have taken about three-quarters of the time. I have deferred to them on several occasions and if the Liberal Party, because in this case as the Chair has pointed out, it would require a majority to follow what has been the standard practice throughout this Session of adjourning at ten o'clock, if the Liberal Party wants to stick ahead in terms of that, that is fine, but the Minister should not be suggesting that I am doing anything other than following what has been the standard practice in Estimates throughout this entire Session which has been to adjourn at ten o'clock.

Now if the Minister and the Liberal Party have other ideas about that, that is their business but let the Minister not suggest I am obstructing, because that is not true.

Mr. Chairman: According to the Rules then, we will continue and by agreement not pass that line but simply go on with these questions. The Member for Kildonan.

Mr. Cheema: Mr. Chairperson, I think it is reasonable, it is not a major request when the person who is in charge of the program has to go to a funeral tomorrow. Why can we not just finish the business and ask 10 minutes to 15 minutes of questions? It is not as if something—the world is not going to fall down.

I just wanted to raise a couple of issues in regard to the Hearing Conservation Program in the northern and Native communities. Can the Minister of Health tell us what specific program they have initiated to deal with the hearing impairment in the northern communities?

Mr. Orchard: Well, to my knowledge the Hearing Conservation Program is available through Regional Services throughout the province. Flin Flon and Thompson are both areas where audiologists are available for the assessments to be accomplished.

Mr. Cheema: Can the Minister of Health tell us how many speech pathologists and audiologists are available in that region to assess the number of children?

Mr. Orchard: No speech pathologists, and an audiologist in Flin Flon, as well as another one in Thompson.

Mr. Cheema: Then can the Minister of Health tell us how they are managing the number of children who would require the speech therapy at the preschool level and how they are bringing them to Winnipeg and which hospital they are offering because we have a disparity

between the two major hospitals, St. Boniface and Health Sciences.

The waiting list differs from hospital to hospital. There is one hospital that has an 18-month waiting list, the other has one year. One has 257 children, approximately the number waiting, and the other has less than that. So what kind of program do they have in place to make sure that the children who require preschool speech therapy are distributed in each and every hospital on the basis of where they can be given service at the earliest possible?

Mr. Orchard: The two programs at St. Boniface and Health Sciences Centre in terms of speech pathology are not any different than any other medical programs per se, wherein physicians from the referring region may choose to refer to either of the hospitals, and it is a referral pattern by physicians that is often exemplified in those two differing waiting times and lengths of waiting lists.

I cannot help but indicate to my honourable friend that when we made the announcement at Health Sciences Centre of the enhanced funding, enhanced staffing, we were able to move pediatric waiting lists in audiology from a year down to two months but the waiting time for speech pathology remained essentially the same because even though we assisted more children, expectations were created and more children came in and were referred there for services. So I think maybe adding more money created the kind of waiting list problems that my honourable friend refers to, a rather strange anomaly to happen when you try to increase the service, in fact, although you serve more children you have not decreased the length of waiting time.

Mr. Cheema: Mr. Chairperson, I think we are dealing here with two issues. Number one is the shortage of speech pathologists and the audiologists and the number of patients except Winnipeg. The second issue is the waiting list in two different hospitals, why it differs from one hospital to another.

I think if you are going to send more children to the Health Sciences Centre the problem is not going to get better, and by providing two more speech therapists, it is not going to the extent which we would all like to have it. At St. Boniface Hospital when you have a waiting list for a year, it makes sense that some of the regions are directed to send the children either to make sure they are sent to St. Boniface Hospital, and why it is not done, and why it is not being done at present.

The second issue, as the Minister has said by creating, giving them more funds they may have created expectation, that may be partially true. It is true that there may be an increased number of assessments being done but the numbers of the children who were referred to speech therapy has remained almost the same in terms of the people who are waiting.

Someone who needs speech therapy right now today, if he is two and half years or three years of age, by the time his turn comes he will be in the school-aged group. The point that we want to make is very clear.

It is not a political thing, it is an extremely important issue because if you do not provide the services right now they will end up using the most service in the school system.

The school system is very adequate. There are a good number of speech pathologists in the school system, but outside the school system, even the Dr. MacDiarmid Report is very clear that they would at least need about 14 to 15 more speech pathologists just to reach the national average. Right now at Health Sciences about seven to eight and providing more, two to three physicians, may help in the long run.

We just are asking if maybe—it is a very tricky situation because funds are coming from the Ministry of Health now, but when the children go to school and it is from the Department of Education, as schools go, they are responsible. Ultimately, taxpayers are paying money anyway.

I think what we want to make sure that something must be done in terms of giving you more resources to both these institutions as well as at Brandon so that all the children can get adequate treatment in time. We are told that sometime if there is an urgent situation, then priority is given, but if you talk to the parents they are not satisfied. I could bring a number of parents to the Minister's attention but giving their personal name is not going to solve the problem. We would like him to do that, make long-term planning so that we do not have this problem in the future.

The second question which I raised during the House was the lack of the service in their own community. It is not possible to have a speech therapist or audiologist in each and every community, but at least in major centres with the population of 20,000. Portage is a place and an example. We do not have a speech pathologist there.

Somebody who has to drive a four-year-old child from Portage to Winnipeg, it is not possible. It is very difficult for them to come five times a week. I think if you look at the salary structure of these individuals which is about \$30,000 to start with, approximately, you can provide more speech pathologists and I think this solves the problem.

* (2220)

The second thing, as the Minister has pointed out, they do not have the numbers and now you have signed the agreement with North Dakota. If you look at Alberta and Saskatchewan, Alberta is another example where you have a large number of speech pathologists trained and they will probably be willing to work if you offer them reasonable salaries. I think that, by giving them some incentives to work in the northern and some of the underserved communities, may help. We would encourage the Minister to look into that so that we do not end up with this problem in the future.

Mr. Orchard: My honourable friend, he and I are not at odds on this issue. I have to tell you that I was very close to having a press conference prior to the fall of the Government in 1988 on the issue of speech language pathology, because in terms of pediatric availability of

service we have a serious problem. I do not argue at all that it would be much more effective for the child, let alone the taxpayer, to have the services preschool. I think if we had that we could reallocate probably a significant amount of the school delivered program to stroke victims and others who need rehabilitative services. My honourable friend and I, we agree.

All I say to my honourable friend is that I recognize the problem, and Government recognizes the problem. We have taken some initial steps in terms of some increased funding but clearly we still have the disparity of service across the province where we only have one-and-a-half speech language pathologists outside of Winnipeg. Clearly that is not adequate, particularly when you see, I believe it is a state law in the U.S. where states are mandated to provide speech language pathology services because the American philosophical approach is that unless you can communicate you cannot achieve your maximum contribution to yourself and to society, I presume.

I concur with that, but I make no bones about the difficulty in terms of decision-making, because daily in the Department of Health I am literally inundated with requests for additional resources to go to a whole range of very genuinely held beliefs that the programs proposed would be of a vast benefit, probably more benefit than any other proposal.

I simply tell my honourable friend that in terms of speech language pathology, I consider it to be one of the higher priorities for additional service within Government. That is demonstrated by the additional resourcing at the Health Sciences Centre, which provided some relief but my honourable friend is right, the waiting list is still the same. Secondly, in terms of the MacDiarmid Report to focus on the training aspect, because we have had a longstanding arrangement with North Dakota, and as I indicated earlier the Premier is cosigning with the Governor of Minnesota on educational exchange, will offer again another opportunity for training.

We have to, in the next number of months, take a look at some of the specific recommendations of the MacDiarmid Report in terms of numbers to see how achievable they are, to see what dedication of resource it requires because naturally Dr. MacDiarmid did not attach a budget to his recommendations and then to consider some of the suggestions on return for service for support in the various training programs of students. Those areas are under active consideration.

I beg my honourable friend's indulgence that we will be making positive decisions in this regard but I simply say we will not be moving as quickly as those parents would like whose children unfortunately need service. I regret that, but that unfortunately is one of the realities of modern Government when you have to try to make as balanced a decision as you can on competing demands for resource.

Mr. Cheema: Mr. Chairperson, we understand that there are a number of pressing issues, but some of them should have more priority. This one, I think, deserves more priority because the amount which is

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going to be spent on that is not a tremendous amount of money. Even though it is not free, it is not a tremendous amount of money that we have at least four to five in each hospital and have one or two in the regional hospitals, especially when they are trying to promote the Thompson hospital. It would be to their advantage because a lot of people do not have those kinds of resources to come back and forth. It is very difficult, somebody making \$20,000, how do you expect them to come back and forth to Winnipeg, make arrangements and stay here, or whatever, go back? I think that is what our main concern is, and that is why we have been asking the Government to do that. It is not at some critical point but I think realistic.

My second question is in regard to the community mental health in the northern regions. Can the Minister of Health tell us now how many mental health workers are working in the regions, what is the ratio as regards the total population?

Mr. Orchard: I will provide my honourable friend with those numbers. I will give my honourable friend the first indication in terms of total numbers. We have 109 and 10 weeks, I guess .10, throughout the department, all regions including Winnipeg, and we are down to six vacancies only in that area. I will give you the breakdown by region.

Winnipeg in total is 43, if my numbers are correct, yes, 43. Westman is 11, Eastman is 11, Central is 10 plus 36 weeks, nine in the Interlake, 10 plus 26 weeks in Parklands, seven in Norman, seven in Thompson, for the total of 109 and 10 weeks throughout all the regions. In Norman and Thompson the department uses between 35,000 and 40,000 for population in each of those regions.

Mr. Cheema: Is the Minister saying that for 40,000 population we have one mental health worker? Is that true?

Mr. Orchard: Seven in each region.

Mr. Cheema: Mr. Chairperson, it is being worked in a rural community like Pine Falls, Powerview and a lot of the reserves. We found, and it is very common knowledge there, when you have even seven persons for 40,000 as compared to Winnipeg City that is very inadequate, because for those people that may be the only one person they can talk. The communication problem is there, the geographical distribution, the distance involved and the lack of family care services. Most times it takes about a few weeks for a simple assessment by a mental health worker.

What criteria are being used to make sure that—what is the adequate number to provide the mental health care services in those communities, and how are we doing as compared to Ontario, Saskatchewan and Alberta?

Mr. Orchard: There are a total of 43 mental health workers in the City of Winnipeg, and with a population of roughly 560,000 that means one departmental mental health worker for every 13,000 individuals. We use

35,000, and even if we used 40,000, as the population of Norman and Thompson regions respectively, the ratio drops from 13,000 in Winnipeg per mental health worker to between, say, 5,000 and 6,000 per mental health worker in the Thompson and Norman regions.

* (2230)

Mr. Cheema: Mr. Chairperson, 43 people are providing service to the 600,000 population of Winnipeg. Now you have the five or six major hospitals, you have a lot of primary care physicians, we have a lot of social workers here. We probably are more structured in terms of social services in Winnipeg as compared to some of the remote communities.

It is very difficult. That number is not adequate if we compare it with the rest of the province. It is very difficult for those people even to get a mental health assessment done. I think we should look at providing more. It is very clear, because these are the only individuals at certain places that do not have any of the psychiatrists to give services to some of the regions.

The point I am trying to make is, I think we should look at increasing the number of mental health care workers in those communities if we cannot have anything else.

Mr. Orchard: That is exactly why the ratios are lower, in terms of those regions versus Winnipeg. Mr. Chairman, that is entirely the thrust we will be debating, hopefully, tomorrow in terms of the mental health reform and reorganization, to move more services closer to the people in a more equitable level of service to the people in the various regions of Manitoba outside of the City of Winnipeg. That is exactly the direction we are moving in.

Now, pardon me if I get a little testy.

Mr. Cheema: Sure that is fine.

Mr. Orchard: My honourable friend appreciates that. You do not instantly solve 20 years of pent-up problems, or 30 years of pent-up problems overnight.

I think if my honourable friend were to take a look at what has been accomplished in 18 months in mental health in Manitoba, he would find that no other jurisdiction, anywhere in North America, has made the strides we have made. Our path is clear. Our direction is clear. Our reorganization is on track, and we are very, very serious about moving in this regard.

For the first time in two or three decades Government is taking mental health issues very, very seriously. I take some personal responsibility for that, because it is not as if it was an issue that appeared out of magic when I walked into the office on May 9, 1988.

My honourable friend from Thompson is always dragging up the Hansards he wants to drag up to prove whatever point he is trying to make. One Hansard he will never bring forward is the debate for two or three successive years where I cajoled, urged, pleaded with the previous Government to try some decentralization,

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some deinstitutionalization, some reallocation of mental health services in the Province of Manitoba.

I offered them the Parkland region as a pilot project, because I had discussions with people in that region who were interested in doing just that in co-operation with Government.

My honourable friend from Thompson sat in the Government that nodded their head very knowingly during Estimates time and did nothing after Estimates.

One of the first agendas for reform and re-organization was Mental Health in the department and in the Ministry of Health. We are moving in exactly the path my honourable friend is urging us to.

I simply say to my honourable friend that I will put the record of this Government in 18 months against the record of any other provincial administration. I do not know of any state administrations that have been so pro-actively involved in terms of bringing services out of an institutional-based model to a community-based model and spreading those services, as quickly as possible, throughout the province.

Mr. Cheema: Mr. Chairperson, we have consistently put on the record that progress has been made. Nobody can deny that, progress has been made. We are not saying that, but it is still not perfect. I think if we can improve that -(interjection)- we are saying it is not perfect, but still it could be improved.

If the people were happy with the previous administration why did they kick them out? That simply is, people expect better things. They expect from this Minister and the Opposition something solid, which is based on a scientific basis. They want us to do much better than they have done for the last 10 years.

I think that is what we are trying to achieve here. We are not being critical of the Minister, we always say when he is doing something good.

I still think we should look at improving the mental health care workers in some of the rural and northern communities, because, as I said earlier, the distance involved is number one; second, the primary health care is not available in many areas. The referral system is poor. It is not this Minister's fault, it has been there for a long time.

Even for a person like me, who was not even born in this country, who has just worked in Manitoba for five years, I could even figure it out.

It was a mess. For a simple thing you have to go through five different procedures. There are three different individuals in charge for the same program. It is getting better, but we would still like the Minister to continue to make progress on that issue.

My next question is: what specific initiatives has this department taken in terms of Health Promotion in the northern communities?

Mr. Orchard: I guess the most recent one is the Healthy Heart Survey, which is in co-operation with the federal Government, the \$2 million five-year survey program.

There is an enhanced component of northern and Native people participating in the survey, because we want to establish a better understanding of whether there are unique risk factors among the Native population in terms of heart health. That is the most recent initiative.

Other initiatives are in conjunction with the regular programs through Maternal and Child Health and other areas throughout a number of the departments, or a number of the divisions that we passed to date.

I just had to search the name because I forgot the name. We have implemented throughout the regions the Nobody's Perfect Program. We think it has specific potential of value for new mothers in northern and remote Manitoba.

Mr. Cheema: Mr. Chairperson, as we are discussing Health Promotion, I think it was last week the Minister of Health (Mr. Orchard) indicated that some of the programs are federal jurisdiction in the reserve areas.

The problem still remains there. There is a lot of nutrition deficiency and vitamin deficiency in some areas also. What initiative has this administration taken? Are they doing any study to make sure that adequate nutrition is given to the pregnant women, the elderly age group and the younger children?

Mr. Orchard: Mr. Chairman, I guess that is one of the areas that needs certainly an improvement, not an improvement solely of provincial input and initiative.

* (2240)

We attempt to do our part in terms of the prenatal classes to emphasize the nutrition component there. In terms of new initiatives that my honourable friend wants, no, we do not have any new and focused initiatives targeted at Native northern and remote Manitobans.

My honourable friend has to appreciate that we do not have that responsibility, and I am not passing the buck, I am just indicating clearly the lines of jurisdictional responsibility where that is a federal initiative. It may well make good sense for us to undertake it, but that would require resource that we would not have for the issue my honourable friend just recently raised, of speech pathology.

Those are exactly the challenges we face every single day, where we could probably enhance the level of program delivery in many, many ways if we had the resource. Those resource decisions are as difficult as choosing programs to spend them on.

Mr. Cheema: I just want to make a couple of points before I finish. Even though the responsibilities are the federal Government, Manitoba taxpayers still pay for some of the services, because smoking during pregnancy, alcohol use during pregnancy, and drugs used during pregnancy is not uncommon at some of the reserve communities. That is common knowledge in terms of the general public. The end result of that kind of abuse of so many hazardous materials during pregnancy is a very dangerous one.

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The Manitoba taxpayers end up paying all the services in the end, because you have to look after the babies, you have to look after the mother if there are any problems, and ultimately -(interjection)- is the Minister saying that the federal Government pays all the funds for the health care required for the Natives?

Mr. Orchard: In terms of Treaty Indians, yes, that is the arrangement. On-reserve costs are paid for by the federal Government, and if we, per chance, Medi-vac a Native reserve person to Winnipeg for services those services are billed back to the federal Government.

Mr. Cheema: Mr. Chairperson, can the Minister of Health tell us how many medical officer positions are in all the regions of Manitoba? Is there any position which is vacant right now?

Mr. Orchard: In Winnipeg there is one position filled full-time; in Central there is coverage up to 16 days per month, four days per week; Interlake has a vacant position; Eastman has a position filled three days per week; Westman a position filled three days per week; Parklands coverage up to eight days a month; Thompson seven days a month; Norman seven days a month.

Mr. Cheema: What is the role of these medical officers in all the regions?

Mr. Orchard: The rules vary a little bit I am told, region to region. We will provide my honourable friend with a general description of the expected duties of medical officers of health.

Mr. Cheema: I think it is important for us to know what their duties are, because in each and every region the needs are different depending upon where they are serving and what community they are serving. It is not a uniform system like the medical officer is going to see, or what kind of disease, or what kind of -(inaudible)- differs from one community to another, and that is why we are interested in knowing.

Why are some regions getting seven days a month and others are 21 days? Are the same individuals serving the regions or is there a different individual for each region?

Mr. Orchard: Mr. Chairman, we are continuing to pursue full-time recruitment in every region. These are the best arrangements we can make with individual physicians to undertake responsibility for us for as few as seven days per month, up to 16 days per month, if not on a full-time basis.

Mr. Cheema: Other than the medical duties, what are the specific qualifications of each and every individual who are providing the regional services?

Mr. Orchard: How be I make a deal with my honourable friend, and we try to provide those specific details of each individual in each region tomorrow?

Mr. Cheema: Mr. Chairperson, under the heading of Northern Health we have, this year, \$141,000.00. Does

that include the salaries for the individuals or just supply and services? Can the Minister qualify that?

Mr. Orchard: Contractual arrangements with the physicians to provide services into some of the nursing stations and remote communities are part of that \$231,000, as well as, a supply and in-service training component. It is not a salary per se, it is a contractual arrangement on per diems.

Mr. Cheema: Mr. Chairperson, the Minister has answered my question, because the people who are working in the northern medical unit do not get salaries out of Manitoba Health, they get salaries out of Manitoba Health Services Commission. So that means the \$141,000 is for supplies and services and some of the (inaudible)

Mr. Orchard: No, it is inclusive of billable services from northern medical unit as well.

Mr. Cheema: That means \$231,000 is the total spent on all the northern medical units. Is that true?

Mr. Orchard: No, this is a range of services to some specific communities, namely, Easterville, Grand Rapids, and Moose Lake where services are provided on a contractual basis into those areas.

Some of those services come from northern medical unit, and costs are assigned. As well, there are in-servicing costs into those communities for the community health workers and the northern nurses. As well, there is an allocation of operating supplies and equipments for some of the nursing stations included in this \$231,000 appropriation.

Ms. Gray: Mr. Chairperson, I have a number of other questions. I can guarantee you they will be over half an hour, so although I know the Executive Director would certainly be able to provide input to the answers, I would imagine that the two Assistant Deputy Ministers will also be able to provide the information for tomorrow to the Minister.

Mr. Chairman: The time is now 10:45 p.m., what is the will of the committee?

Mr. Cheema: Mr. Chairperson, I just want to thank the Executive Director for staying 45 minutes, and we appreciate that.

Mr. Chairman: Committee rise.

* (2000)

SUPPLY—CULTURE, HERITAGE AND RECREATION

Mr. Chairman (William Chornopyski): This section of the Committee of Supply is dealing with the Estimates of the Department of Culture, Heritage and Recreation. We have been dealing with the questions relating to Lotteries, presumably under item 1.(a)—the Honourable Minister.

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Hon. Bonnie Mitchelson (Minister of Culture, Heritage and Recreation): Mr. Chairperson, on Tuesday last, November 7, during the debate of my department's Estimates on Culture, Heritage and Recreation, the Member for Transcona (Mr. Kozak) raised some Lotteries-related questions and I indicated that this would be a more appropriate time for me to answer those, and I am prepared to do that at this time.

At the time of the announcement of the casino in February of 1989 we were hoping that the casino would in fact be able to open in October of this year. However, due to delays in the Hotel Fort Garry receiving approvals from the Winnipeg Building Commission for its plans to meet the new fire code by-laws and construction delays, it appears now that the casino will be opening in early December of this year.

At the announcement of the casino we predicted that it would generate about \$10 million annually in the first year of operation with it opening in December. We are anticipating profits this year to be about \$2.5 million to \$3 million. These revenues will go to the Health Services Development Fund, as I indicated earlier on.

In May of 1989, I announced a new funding distribution system for Lotteries revenue with an emphasis on accountability, flexibility and efficiency in the use of Lotteries revenues, and the Orders-in-Council that were referred to by the Member opposite, O/C 802, set out the details for the new funding system and outlines some new thrust for funding by this Government. Specifically commitments were made for increased funding of conservation projects, recreation programs and new special agreement groups, or groups that had fallen through the cracks previously.

In 1986-87, the Government of the Day, the former NDP Administration, capped revenue to the existing the recipients of Lotteries and over the last 2.5 years Lotteries revenue has grown consistently, allowing the Manitoba Lotteries Foundation to build up a reserve of Lotteries revenue. At the time of the announcement there was a reserve of \$9.5 million. This reserve was used for one-time payments, such as grants to rural communities as compensation for rural casinos; and the Order-in-Council No. 967 was to transfer funds to be used for health care projects.

Other commitments that were identified in Order-in-Council No. 954 will be paid out of annual ongoing profits of the Manitoba Lotteries Foundation and represent a new ongoing commitment. In 1989-90 the Manitoba Lotteries Foundation generated, from its gaming fund, \$10.8 million, more than the existing commitments, so that was \$10.8 million in one year over and above the commitments that had been made. The extra commitments that were made total \$8.4 million, including \$3.9 million to replace casino revenues to existing recipients; \$1.5 million to increase medical research; and \$1.9 million to recreation, conservation and other new projects; \$1.1 million in increases to existing groups. As long as the Manitoba Lotteries Foundation revenue continues at this level these commitments can be made from year to year.

If the goods and services tax is imposed, as the federal Government has outlined, the input could reduce MLF profits by up to 11 percent. This will impact all organizations receiving Lotteries funds. My Lotteries colleagues and I, for all provinces, are working together to attempt to get the federal Government to remove gaming activities from the goods and services tax.

Mr. Richard Kozak (Transcona): I would offer the Minister my assurance that the official Opposition will do everything it can to assist her in maintaining lotteries revenues by combating the goods and services tax aggressively. In principle, we find this tax unacceptable with or without modifications and on behalf of my Party I assure the Lotteries Minister that we intend to be aggressive, as I expect her to be aggressive, in combating this pernicious tax which threatens not only our lottery system but also Canadian society in general.

Simply to review some of the Minister's comments, and I am grateful to them in response to the very extensive set of questions I put on the record last week, does the Minister expect that all commitments made in May can be honoured without delay to the organizations that were specified in May?

Mrs. Mitchelson: Yes, Mr. Chairperson, the revenue for 1989 and 1990 estimated by the end of the year is \$50,171,000.00. The existing commitments for this year are \$39,296.00. So that means that the excess is \$10.8 million, I will round it off into \$10.8 million. The extra commitments for 1989 and 1990 add up to \$8.4 million. So there is still \$2.4 million that is unallocated after all of the new initiatives have been looked after and met.

Mr. Kozak: Just before we broke at 5 p.m., I noted that the excess of revenues over expenditures experienced by the Manitoba Lotteries Foundation had increased year over year from \$55.7 million in 1988 to \$56.9 million in 1989.

Now, of course, all of us recognize that that increase does not meet inflation. I believe the Minister is telling us today that we do not face a short-term difficulty. I wonder if the Minister could provide a bit more specification to us by indicating to us whether in fact the gaming fund continues to grow, or whether it is being drawn down somewhat given the late start-up of the casino.

Mrs. Mitchelson: Mr. Chairperson, the money from casino revenue that is allocated to the Health Development Fund is casino revenue only. There was a commitment, as I think I indicated the other day, made by the former administration to a one-time-only \$10 million for health initiatives. It was a health trust fund and that money was available throughout Government from several different sources. It was available on a one-time-only this year, so that money this year will be put into the Health Development Fund if it is required, but we are not taking money from the gaming revenue as such, to pay money from the casino to the Health Development Fund.

Mr. Kozak: The Minister's answer is certainly very helpful. My reference to Orders-in-Council 802, 954

* (2005)

and 967 on Tuesday last were based on an indication in all three Orders-in-Council that money was in fact being transferred from the Gaming Fund to the General Fund for disbursement related to the Government's May commitments. The Minister suggests that in fact the Gaming Fund is not being drawn down, and despite the apparent contradiction between the Orders-in-Council and her statement today I certainly take her at her word.

I wonder, however, if the Minister would project that given the late opening of the casino and the possible stabilization or shrinkage of gaming profits, which have become apparent through her ministerial statement today, if we can expect the Reserve Funds of the Manitoba Lotteries Foundation in fact to be comparable to last year's or higher at the end of the current fiscal year.

* (2010)

Mrs. Mitchelson: To correct something on the record, what I indicated was that the Gaming Fund was not being drawn down to look after the health commitment that we had made. The excess in the Gaming Funds, which was the money that had accumulated as a result of the NDP administration putting a cap to umbrella groups on umbrella groups back in 1986, was an accumulation of \$9.4 million.

There have been some one-time payments that have gone out of that excess Gaming Fund that total up to \$8.8 million, and those one-time commitments, the one-time payments, that are done and finished with were payments to rural casinos of close to \$1 million, payments to the Brandon casino of \$67,000.00. I am rounding off the numbers. The Community Places Program, \$5.2 million, and the Health Fund which was the one-time-only commitment that the defeated budget showed, the portion that came from Lotteries was \$2.5 million. That adds up to \$8.8 million that has been drawn from the excess Gaming Funds to pay one-time-only commitments.

Mr. Kozak: So in that case we can in all likelihood, to the extent that we can predict the future, predict that the General Reserve Funds, the reserve funds of the Manitoba Lotteries Foundation, will in all likelihood be lower at the end of fiscal year 1990 than they were at the end of fiscal year 1989.

In addition, Mr. Chairman, we do have recognition on the part of the Minister that lost revenues due to the proposed goods and services tax could amount to 11 percent of the revenues of the Manitoba Lotteries Foundation, and we do have recognition on the part of the Minister in her opening statement although she uses the word growth that even at present, without the goods and services tax, revenues of the Lotteries Foundation and certainly net profits of the Lotteries Foundation are not even matching the rate of inflation. This set of circumstances is serious and I believe that is a non-partisan statement, that the feeling on the part of the Minister that superior growth in Lotteries Foundation revenues due to her projected success of the casino will go a long way toward compensating for

the effects of the goods and services tax, declining interest in lotteries and bingo, and this year's draw down of the General Reserves.

Mrs. Mitchelson: Mr. Chairperson, I think that what we need to do is look at the goods and services tax, and we do not have any hard, cold figures on what the impact is going to have, but the maximum impact would be that if everything, or maybe I should put it this way, that only the prizes that are paid out on Lotteries tickets would be exempt from the goods and services tax, and the financial implication to the Province of Manitoba would be \$6.5 million. That would be the maximum impact.

There could be a middle impact, and that would be if the tax was not imposed on prizes or profits, and in that case the impact would be \$2.3 million. So that would be the middle impact, and then if Lotteries were completely exempted there would, of course, be no cost to the Province of Manitoba. So we really do not know specifically yet what the impact will be or could be.

Those are all different case scenarios and we know what the worst impact would be. Yes, it is going to have an impact on Lotteries revenues if there is a goods and services tax applied to that revenue, and we are going to have to deal with that when the time comes, but we do not know what the full impact is going to be.

That tax is going to be some time down the road and we do not know at this point in time what is going to happen to Lotteries revenues, whether there is a change in gains or a change in the way of handling things, whether there might be an increase. We have indicated we think they are going to level off and we are going to be seeing the same increases of 2 percent to 2.5 percent year over year, so we are going to have to look then at what the implications are going to be. But to this date all of the commitments that we have made can be fulfilled, and we are hoping that we can somehow convince the federal Government at least that we do not want to see the maximum impact on Lotteries revenues.

* (2015)

Mr. Kozak: Mr. Chairman, I am, of course, somewhat reassured by the Minister's statement that we do not face an immediate negative impact from any stabilization or reduced performance on the part of the Manitoba Lotteries Foundation operations. I think it is safe to assume, although the Minister did not state it specifically, that she expects the casino to provide a significant increase in the profitability of the Manitoba Lotteries Foundation, perhaps a sufficient increase to cover the commitments of her department well into the foreseeable future. If the comment I have just placed on the record is one that the Minister would disagree with I certainly invite her to challenge it.

I might also add at this point, and I believe that all Members have noted it, that the thrust of my questioning today is not a thrust aimed at rehashing the philosophical differences that the Government and the

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official Opposition have with regard to the desirability of the opening of the casino. I am today focusing strictly on management questions. I believe the public are well aware of the philosophical argument; I believe we have covered it to the satisfaction of the public to the point of view where they can make up their own minds as an informed public.

However, I do have grave problems, Mr. Chairman, with the proposition that the casino will in fact provide a revenue stream that will protect the profitability of the Manitoba Lotteries Foundation well into the future. I note, as I examine the 1988-89 Annual Report of the Manitoba Lotteries Foundation that with regard to Lotteries, yes, there was an overall increase in sales at the retail level. But increased sales in the case of some Lotteries products was matched, not quite dollar for dollar, but was matched in general terms by decreases in sales of other Lotteries products. For example, I note that sales of Western Express tickets declined from 12,139,650 in 1988 to only \$9,090,115 in 1989. With regard to Lotto 6/36, I note that sales of these tickets in 1988 were \$7,728,609 and declined in 1989 to \$5,162,274.00.

Looking at bingo hall revenues and expenditures, Mr. Chairman, I note that there was very modest growth in the net results of bingo operations in 1989 vis-a-vis 1988, only a matter of approximately \$100,000.00. Looking at break-open tickets, I note that the increase in sales was also approximately only \$100,000.00.

Looking in particular at the casino which formerly operated at the Winnipeg Convention Centre, I note an alarming fact which goes to the heart of this Government's strategy to increase revenues through a casino at the Fort Garry Hotel. The net revenue over expenditures of the casino at the Convention Centre declined dramatically between 1988 and 1989 from \$5,015,656 to only \$3,595,492.00.

I wonder if the Minister could suggest to us if in fact the number of dollars available for lottery products is not constant, and if promoting one product, such as a casino, is simply not done at the expense of other products. Secondly, I ask her if, by devoting so much attention to a casino which we see has been becoming less profitable in the last year, she is perhaps not investing the taxpayers' money in an area that quite demonstrably fell out of public favour in the last year.

Mrs. Mitchelson: Mr. Chairperson, there are quite a number of questions there, and I will attempt to answer them all, but if I miss something maybe the Member will ask again. The first question, I believe, was about lottery ticket sales, and I think the number we have to look at is the bottom line. There was an increase of \$121 million in '88 to \$131 million in '89. I guess that is the nature of the Lotteries business, where one game is very popular to begin with and then it loses its popularity and a new game is brought in to take over and to compensate.

* (2020)

So you will notice that some of the new games that were implemented generated a fair amount of revenue,

and some of the games that were becoming less popular declined and were eventually taken off the market. That is the nature of the Lotteries business; there always has to be a change of some sort in the Lotteries Foundation. Western Canada Lotteries is always looking at a way of introducing a new game and removing the older ones that are becoming less profitable. I hope that explains that one area.

The other area was the decrease in casino revenues, I believe, the other one I remember. There are reasons for the decrease in the revenues at the city casinos. First of all, the year previous, the former administration, the NDP had run a trial period where they increased the number of casino days at the Convention Centre considerably. That would indicate, because the casino was open for more days as a test period as a pilot project to see whether we might want to open the casino—I think the rationale back at that time was to pilot and to test it. To see whether the casino might be open year round at the Convention Centre was part of the pilot project.

Fortunately I suppose for us, the Government of the Day was defeated and we became the Government, and the conscious decision was made to move the casino out of the Convention Centre and clean it up and move it into a centre that was not such an eyesore to the City of Winnipeg.

Mr. Chairperson, the daily expenses at the casino also increased due to a change in a Revenue Canada ruling as to the status of casino workers. As of January 1, 1988, the Lotteries Foundation was required to pay Unemployment Insurance premiums and Canada Pension Plan benefits for casino workers, so that also does justify some of the decrease in revenues.

Mr. Kozak: Mr. Chairman, the operation of the Manitoba Lotteries Foundation that most directly impacts the individual and small organizations in the Province of Manitoba is the operation of bingo halls. I note that between 1988 and 1989 the revenue over expenditure line for bingo halls, including break-open tickets, showed an increase from only \$4,080,720 to \$4,115,988.00. That translates into an increase of approximately \$35,000 or only 1 percent.

Does the Minister perhaps see some merit in the argument that the very extensive promotion of lotteries and of casinos by the Manitoba Lotteries Foundation is in fact starving the smaller organizations that have access to and in fact rely heavily on the bingo operations throughout this province? In other words, is the extensive Government advertising and promotion effort directed toward lottery tickets and casinos, either the former one or the future one, not directly taking revenue out of the competing operation, that is, the bingo operations of small organizations, churches, social groups throughout this province?

Mrs. Mitchelson: Yes, Mr. Chairperson, I believe that \$4 million revenue generated out of two major bingo halls in the City of Winnipeg is a fair amount of revenue, and those bingo halls are pretty well full to capacity on most evenings. I would hate to open another major bingo hall in the City of Winnipeg and jeopardize those

small community bingos that run on a regular basis that generate revenue at that community level. I do not think that out of two bingo halls in the City of Winnipeg we could generate much more than \$4 million per year.

Mr. Kozak: I certainly do not dispute part of the Minister's point; however, at the same time I reiterate the point that there has been year over year essentially no growth in profits generated by bingo halls in the province, including the City of Winnipeg.

* (2025)

The fact remains that year over year if inflation continues to progress at the present 5.2 percent rate the purchasing power of those profits, purchasing power that organizations throughout the province, small organizations, depend on for a portion of their operations, is quite simply whittling away. Is this a matter of some concern to the Minister, particularly in light of the fact that the original justification for permitting a form of gambling in this province was to benefit the smaller, church-oriented and social groups in the province that now see their revenues declining significantly after inflation?

Mrs. Mitchelson: Mr. Chairperson, if I might, this revenue that is generated here is from the two major bingo halls that are run in the City of Winnipeg. There are very many small community and church groups and organizations, community clubs, that have their own bingo licence and run bingo in their own community centres or in their own church halls for their own benefit, and those bingos are not included in this revenue.

This is just from the two major bingo halls, and we are trying to pull together the figure on how many other small bingos run—I am just informed that all of the small organizations that run their own independent bingos that are licensed throughout the City of Winnipeg generate about \$9 million to \$10 million on their own for their own organizations. So, that is over and above what is generated in the two bingo halls.

Mr. Kozak: Mr. Chairman, I appreciate the Minister's point, and I have to state for the record that I am in no position to provide the Minister or the House with a general overview of the performance of the smaller bingo halls that the Minister refers to. However, I would bring to her attention that the small number of these bingo halls with which I do maintain a certain personal contact, do indicate a fall off in their profits.

I would hope that the Minister might collect figures to either support or refute this particular argument because of the fact that we as a province have always valued, to the extent that we are interested in any form of gambling in this province, the benefits to small organizations and church-related organizations of their modest local operations.

I would hope that the Manitoba Lotteries Foundation, in consultation with the Minister, might perhaps be able to generate for us some idea of the growth or fall off of unprofitability of these smaller bingo halls.

This concern becomes even more important, Mr. Chairman, in that new bingo licences are being issued

routinely all the time by the Manitoba Lotteries Foundation, and we are seeing this pot of money being fragmented more and more among an increasing number of organizations to the point where organizations maintaining small bingos in my riding, for example, do report to me that their revenues from this traditional stream of money have been dropping off rather significantly. This is a matter that the Minister should be cognizant of, and I would hope that she would pull together the appropriate statistics indicating revenues per organization of smaller bingos.

Mrs. Mitchelson: Mr. Chairperson, I have '87-88 figures, compared to '88-89 figures for all of the Lotteries Foundation licensed activities, so that would be bingos, break-open tickets and raffle tickets. 95 percent would be bingo and break-open tickets, which are usually used in conjunction one with the other at the local community or church hall. The '87-88 revenues available to groups were \$18.3 million, and the '88-89 total was \$20.7 million.

* (2030)

Mr. Kozak: Mr. Chairman, it is certainly clear that, on the surface, there is an increase that we might perhaps find gratifying, although I am certainly personally aware of organizations that are not experiencing an increase. These numbers, however, can be assessed only in light of the number of organizations running bingos. The number increases from year to year as new licences are issued and it is important for us to assess this figure in terms of the total number of operations, in the most recent fiscal year, compared to the previous fiscal year.

Mrs. Mitchelson: Mr. Chairperson, I am informed that in 1987-88 there were 1,965 licences issued and in 1988-89 there were 1,836 licences issued, so there were less licences with more revenue, but I am sure that there are some groups that, for whatever reason or another, do experience losses from time to time and I do not know what the reasoning for that would be.

Mr. Kozak: Mr. Chairman, just for clarification, when the Minister refers to revenue, is she referring to revenue purely as such, or to the excess of revenue over expenditures, in other words, profits?

Mrs. Mitchelson: That is net profit, revenue over expenditures and money that goes directly to community organizations.

Mr. Kozak: Mr. Chairman, I am very pleased to have pursued this line of questioning because I must say that the Opposition, certainly my Party, finds the operation of bingo halls, particularly those benefiting small organizations and church groups, the most politically palatable operation of the Manitoba Lotteries Foundation, one that we would not choose to quarrel with, and I express satisfaction that although certain organizations have experienced decreases in net revenues, net profits, that this is not the case across-the-board.

I wonder, however, if the Minister could suggest to us a reason, given that revenues are available to

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organizations through this type of operation, a reason why more than 100 fewer organizations would be interested in participating in the most recent fiscal year, compared to the previous fiscal year. If it is so lucrative one would expect it to be a growth industry, rather than a declining industry in terms of number of participants.

Mrs. Mitchelson: Mr. Chairperson, I guess it is a personal choice. Some of them might be one-time licences for a raffle or for a bingo, some of them are ongoing so I cannot, I suppose, unless we polled everyone that had asked for a licence, I cannot give a specific answer to that. It would be for personal reasons, of whatever kind.

Mr. Kozak: Once again, Mr. Chairman, I wonder if the Minister and the officials of the Manitoba Lotteries Foundation could indicate to us whether applications for bingo licences are routinely, frequently, or occasionally refused by the Foundation.

Mrs. Mitchelson: Mr. Chairperson, they are very infrequently refused, and one of the reasons they might be refused would be because they have applied for a licence to hold a bingo or for a raffle, and the profits are not going to a charitable cause.

Mr. Kozak: The Minister and her officials are certainly very forthcoming in this discussion. Could the Minister advise Members of this House as to the approximate amount of monies that have been expended to date on preparation for the new casino operation to be opened at the Fort Garry Hotel in early December?

Mrs. Mitchelson: Mr. Chairperson, what has actually been spent to date is approximately \$1 million. The total commitment though in expenditures for the casino at the Fort Garry will be about \$4.5 million in total when it is all said and done.

Mr. Kozak: I am certainly tempted to gasp at the figure of \$4.5 million as an initial capital expenditure on the casino. Instead I will try to delve a little bit further. I wonder if officials of the Manitoba Lotteries Foundation have been able to salvage any or, hopefully, most of the equipment that was used in the former casino operation at the Convention Centre.

Mrs. Mitchelson: Mr. Chairperson, the equipment that was in the casino at the Convention Centre was sold to a firm in Alberta for about \$70,000, and the camera system which was at the Convention Centre is being moved over to the Hotel Fort Garry.

Mr. Kozak: Well, Mr. Chairman, I have to say, although I hope I do not have a reputation in this House for making snide comments, that if the former operation had a salvage value of only \$70,000 we are going to have a real palace on our hands for roughly 50 times the cost of the previous Convention Centre or rather 50 times the salvage value of the previous Convention Centre.

The \$4.5 million, Mr. Chairman, is a lot of money at a time when every day in this House Honourable

Members refer to difficulties in obtaining prompt cardiac treatment, difficulties in having matters related to the funding of various social programs increased at a rate that certain Members of this House deem necessary. I am tempted to suggest that an expenditure of \$4.5 million on a gambling palace represents something of a distorted sense of priority. Instead, I will ask the Minister if it was absolutely necessary to install an operation that has consumed so much money that honourable Members could have allocated to other purposes. Is it absolutely necessary to have such an opulent operation to promote the sort of revenues that the Minister hopes for from the casino?

Mrs. Mitchelson: Well, there might have been \$4.5 million on a one-time-only basis to spend on something, but the revenue that is going to be generated from the casino is \$10 million per year that is going to go to health care. So it is an investment, and I suppose you do have to spend money to make money.

* (2040)

I will just run through the breakdown of the costs for the casino possibly for the Member. It is about \$1.5 million for construction and renovation to the hotel. Part of that is because it is a heritage building, and once you start pulling the walls apart you find out that there is wiring and things that need to be done that were not in the first place part of what you might expect to find once you start making some renovations to an older building. There is \$1.5 million for purchase of slot machines; a half million dollars for security; \$400,000 for a computer system. Those are the breakdowns of the costs, but I do want to indicate that in any business, I suppose, and the Lotteries Foundation is a business, and a revenue-generating business, you do have to put up some capital money up front to make money in the end. I believe that \$10 million per year over several years is a major investment by our Lotteries Foundation into health care projects in the Province of Manitoba.

Mr. Kozak: The Minister, of course, refers to her estimate of \$10 million in annual profits from the casino. My Party has consistently contended that the profit picture would be rather different and rather less satisfactory, but I will not belabour that difference in opinion this evening. I would, however, like to ask the Minister if she, her department, or staff or contract employees of the Manitoba Lotteries Foundation have conducted any market studies at all to assess the prospect of the Minister's profit projections actually being met. Have there been surveys of demand among potential clientele for the casino in Manitoba and in surrounding geographical areas that might give us some reason to hope or to believe or to accept that the \$10 million profit figure was derived by some other method than guesswork?

Mrs. Mitchelson: There has been market research done that indicates that there is a very high interest level in the type of casino that is being proposed at the Fort Garry Hotel, from Manitoba, from rural Manitoba, from Saskatchewan, North Dakota, Minnesota and Northwestern Ontario. So there has been

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very positive response to the type of casino that is being suggested at the Fort Garry Hotel. It is going to be marketed as a tourist attraction, and there are people who have called already from outside the province wanting to know when the casino is going to be open and wanting to book space here in our city, so it is starting.

Mr. Kozak: I have to express satisfaction that the Minister and her officials have conducted such market research. The fact that market research was conducted is a fact that we in the official Opposition were not privy to, and I have to express satisfaction that this basic step was taken. We of course continue to have difficulties with the principle of the casino, and we feel that it will produce social costs that will prove to be a serious burden on the taxpayer of Manitoba.

I will not go into the social costs at great length, Mr. Chairman, but I would like to raise one matter that the Minister herself has talked about recently. The Minister is undoubtedly aware that compulsive gambling is a disease recognized by the American Psychiatric Association; she is undoubtedly aware that Quebec, Ontario and Saskatchewan have all paid medical claims for gambling treatment. Now with the year-round state-run high-table limit casino opening in Winnipeg before Christmas, does the Minister suggest that Manitoba will be immune, miraculously immune, from social problems related to the disease of compulsive gambling that have been experienced in jurisdictions neighbouring our own?

Mrs. Mitchelson: Mr. Chairperson, I do not believe that there is going to be any higher incidence of compulsive gambling in our province as a result of a casino that is run the same number of hours as casino operations were run in the province before. All research shows that when there was no casino running in the City of Winnipeg, those who frequented the rural casinos around Winnipeg were people in fact from the City of Winnipeg. They could almost visit and gamble at a casino in the Province of Manitoba any given day of the year virtually, in the past.

What I can say is that there are people who can gamble on a year-round basis at the racetrack, and the incidence of heavy betting and gambling occurs on a regular basis at the race track, so I think that there are ways and means that people can gamble if they do want to gamble. I do not believe that the incidence of compulsive gambling is going to increase in a major way because of a casino at the Fort Garry Hotel.

Mr. Kozak: Mr. Chairman, I do not pretend to be a medical authority in the sense that the American Psychiatric Association is a medical authority or in the sense that the World Health Organization is a medical authority. I do suggest, however, that there is something uniquely ego-involving, or addictive if you will, about a casino which, unlike the past penny ante shall we say, casino operation in Manitoba has \$500 table limits, slot machines, features that we have not seen before in this province.

There are over 50 gambling treatment centres in the United States and the Canadian Foundation on

Compulsive Gambling reports a large number of calls from Manitobans. Has the Minister given some consideration to devoting a percentage of gambling revenues to a Manitoba gambling treatment centre as the Canadian Foundation on Compulsive Gambling contended that she might, based on certain correspondence they had with her?

Mrs. Mitchelson: First of all, Mr. Chairperson, let me answer the comment or just respond to the comment that was made by the Member for Transcona that the gambling or the casino at the Convention Centre was penny ante. There were 60 gambling tables with a betting limit of \$200 per table. We are going to have 23 gaming tables at the new casino along with slot machines, so there is going to be a major difference. I would not consider the casino that ran at the Convention Centre a penny ante casino.

* (2050)

As far as the Canadian Foundation on Compulsive Gambling, yes, we have had correspondence back and forth. There was an article in the paper, in the Winnipeg Sun a while back indicating that there was some sort of a commitment to a treatment centre of some sort by this Government.

I do want to indicate that the communication back and forth—the first letter that we received from Mr. Barsony was concern about the casino. We sent him back all of the information package on what the casino at the Fort Garry Hotel was going to do, and I received a letter back from him on May 23 of this year, and his comments—I will just read them into the record because they are very interesting and a lot of the comments that he made were certainly left out of the article in the Winnipeg Free Press.

This is Mr. Barsony from the Canadian Foundation on Compulsive Gambling in Ontario and he says, I quote: I certainly welcome your ministry's and the Manitoba Government's responsible actions to endeavour to regulate and clean up the gambling industry in your province. However, it is obvious that my views with respect to the relocation of the Casino at the Centre in the Hotel Fort Garry expressed during a long distance telephone conversation with the news media was misinterpreted. In fact, since I did not read nor hear of the content relating to this telephone interview, I do not doubt that it was possible that my view were perhaps twisted to suit the media's sensationalist purposes. I would therefore like to reiterate my views on this matter, that neither I nor our organization is against gambling per se.

It goes on to say: Most people gamble in moderation and within their means. Our organization's concern is for the gamblers who cross an invisible line from the social gambler to become a compulsive or pathological gambler.

I will quote again: I do recognize that your ministry's responsibility is not only to regulate the gambling industry but also to maximize the profit from it like any other business would do. This is highly justified by the fact that the majority of these profits are used for sport, recreation and health care projects in the province.

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Then of course he goes on to say though that the Government of Manitoba should look at maybe some sort of a treatment centre. My response back to him indicated that I would put him in touch with officials over at the Lotteries Foundation, and I asked him to contact, as a matter of fact, Mr. Garth Manness, to set up a meeting to discuss his concerns.

Subsequent to that, he indicated that if he was to come to Winnipeg to meet with the Lotteries Foundation, it would have to be at the expense of the Manitoba Lotteries Foundation because they did not have money to come here.

What we did as a follow-up to that was, because Mr. Manness does travel to Ontario on business regularly, Mr. Manness indicated that he would be quite willing to meet with Mr. Barsony in Ontario and discuss the issue. In a telephone conversation when Mr. Manness was there last, it was not suitable for Mr. Barsony to meet with him, and what they left it at was the next time Mr. Manness is in Ontario he will try to prearrange a meeting with Mr. Barsony. Rather than for us paying expenses for him to come here, we would agree to meet him there and discuss the issue of compulsive gambling with him.

Mr. Kozak: Mr. Chairman, I guess this is a matter on which the Minister and I can agree to disagree. It is not unusual for a Member of the Opposition to raise concerns and for the appropriate Minister of the Crown to express confidence in her department's strategy. None of us can predict the future with total accuracy, and I imagine at some point in the future one of us will be proven right.

I do repeat that I feel there is a distinct difference between the proposed casino at the Fort Garry with \$500 table limits and slot machines and a much less modest operation at the Convention Centre where the only possibility of placing a \$200 bet was in the case of even money bets at the roulette table, hardly the type of bet that appealed to most high rollers. However, I would like to proceed to a slightly different matter so that I do not unduly delay my friend and colleague, the Member for Logan (Ms. Hemphill), in placing her remarks on the record.

I do have a certain concern, and my Party has a concern, Mr. Chairman, that I must address. The advertising conducted by the Manitoba Lotteries Foundation to promote its activities, to promote gambling, through its vehicles in this province has been variously described over the years as ranging between tasteless and sexist. I wonder what strategy the Minister and members of the staff of the Manitoba Lotteries Foundation have taken to address these concerns that have been repeatedly expressed over the years by credible members of our community.

Mrs. Mitchelson: Mr. Chairperson, the advertising for Lotteries tickets is the responsibility of the Western Canada Lotteries Corporation, which is a combination of all three provinces. I think one of the things the Member opposite is relating to was a commercial that was on T.V. about—I guess I do not even want to attempt to explain it. I think we are both on the same

wavelength and he knows which one I am talking about. As a result of seeing that, we pulled that in Manitoba. It was still run in Alberta and Saskatchewan, but we pulled that ad in Manitoba because it was offensive to some people. I believe if that is the case and the incidence offends people in our province, then we should not be running that kind of advertising. So we are well aware of it, and we took steps immediately to correct that situation.

Mr. Kozak: The Minister's answer makes it quite clear that we are indeed on the same wavelength on this particular question. I would however like to ask one more question in this precise area. We have noticed over the years, all of us, that the advertising related to gambling sponsored by the state in Manitoba does tend to convey the sense that gambling is something that generally results in profit to the player. So much to play for, so much to win, is a slogan we are all familiar with.

I would not go so far as to describe this slogan as being fraudulent or misrepresentative, but I would suggest in a friendly fashion to the Western Canadian Lotteries Corporation and the Manitoba Lotteries Foundation that a great public hue and cry would be raised if any private-sector company attempted to present the merits in their product in that manner. It is obviously not the case that most participants in lotteries, in bingo, in casinos, make money, and I wonder if it is considered workable by the Minister and her staff present today to de-emphasize the assurance of profit which this form of advertising tends to convey.

* (2100)

Mrs. Mitchelson: Mr. Chairperson, there is a responsibility to let people know, if they are buying a ticket, what they can win. All indications are, I suppose, that the larger the pot, obviously the more people buy tickets. I think that has been proven time and time again. All of the information that is advertised though by the Manitoba Lotteries Foundation does tell people what their odds are of winning, and we all know that the odds are not great.

The reason people do buy lottery tickets is they believe there is that rare chance they might be the big winner, and that is what does sell lottery tickets. I do not buy lottery tickets myself because I have never believed that my chances of winning are terribly great, but there are people who do buy them on a regular basis. I do not think it matters what your financial status is, there are people who make lots of money that buy tickets on a regular basis, and there are people who have very low incomes but buy tickets on a regular basis. So I think proportionately the numbers sort of equal out, but I do not know what moves people to buy. I personally cannot speak from first hand experience because I have never been one to gamble in any major way or on a regular basis.

Mr. Kozak: I find myself in the same position as the Minister. I am certainly not known for my inclination to gamble or my gambling skills, although when the casino does open, I will certainly survey the situation

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at the Fort Garry Hotel to see if in fact it conforms to what we would generally consider acceptable in this Legislature, and whether in fact the casino is surrounded by some of the social problems that my Party fears may possibly be associated with it.

On another line of question, Mr. Chairman, and once again I repeat that I will not further delay the Member for Logan (Ms. Hemphill). I might ask the Minister, and perhaps she might consult with staff of the Manitoba Lotteries Foundation present here this evening, if the individuals who have made trips to survey casino operations in other parts of the world, ranging from Monte Carlo to Amsterdam and London, could report to this House specific innovative ideas that they came across on those trips that will be incorporated into Winnipeg's own world class casino.

Mrs. Mitchelson: I guess, Mr. Chairperson, the casino that staff found most valuable was Holland Casinos in Holland, and as a matter of fact the same system of maintaining and repairing and servicing our slot machines will be used as is used in Holland, and they have trained all our staff to maintain and repair the slot machines at no cost to us for that training. So that was very beneficial.

The second instance was in London. I suppose the other major advantage to the trip over there was finding a computer system for financial management and security system that is of great benefit, and the information can be utilized in our casino here.

Mr. Kozak: Despite the fact that philosophical differences in our approach to this casino remain between the Government and the official Opposition, I feel that the Minister has certainly been forthcoming in answering my questions regarding management of the Manitoba Lotteries Foundation. I will not proceed at greater length except to further clarify one earlier answer provided by the Minister. The Minister suggested that casino equipment used in the previous operation at the Convention Centre was disposed of for \$70,000.00. I wonder if the Minister and her staff could indicate the average age of the equipment that was disposed of and what the original purchase price of the equipment was.

Mrs. Mitchelson: Mr. Chairperson, the equipment was an average of five years old and the total purchase for that equipment five years ago, I guess, would have been around \$250,000.00.

Mr. Kozak: Mr. Chairman, I have no need for further questions at this time. The financial thump that we took on the disposition of the casino equipment formerly used at the Convention Centre can possibly be more or less understood in terms of depreciation due to heavy wear, and I do not see a need to pursue that matter any further.

I would like to turn the floor over to my very patient friend, the Member for Logan (Ms. Hemphill).

Ms. Maureen Hemphill (Logan): Mr. Chairman, just to follow up on the last question, not so concerned

with the \$70,000 that you got for it, but I wondered if there was not anybody in Manitoba that was interested in it, or if you might not have offered the equipment to people here. Was there no need for it or no interest in it in Manitoba? Did you have to go to Alberta?

Mrs. Mitchelson: Mr. Chairperson, there are no other casino operations as such in the Province of Manitoba except the Government-run casino. There were a few people who might have been interested in a piece here or a piece there, but there was no one that was interested in the whole package, and Alberta was willing to take that whole package for the total price of \$70,000.00.

Ms. Hemphill: Mr. Chairman, I think we were shocked, too, when we heard the total amount of the cost of the casino at the Fort Garry. In fact, my colleague wondered if he might build a hotel for you and lease the space to you for a casino. Other than the \$4.5 million total, you spent \$1 million to date, \$4.5 million in total. Did you list in that amount equipment costs? You said computer, but what about the equipment like the equipment that you sold to run, other than slot machines?

Mrs. Mitchelson: Included in that cost would be the table games which are about \$250,000.00.

Ms. Hemphill: What are the least costs over and above the cost of—I guess the \$4.5 million is remodelling, renovations and equipment to run it. What are your annual least costs?

Mrs. Mitchelson: The yearly lease is about \$200,000, and that is for the seventh floor, the seventh floor mezzanine and the tenth floor, which are security and office space.

Ms. Hemphill: Mr. Chairman, and what are the annual costs of security, other than the leased space?

Mrs. Mitchelson: About \$500,000, half a million dollars of the capital costs are for closed circuit TV and that type of security system, and over and above that there is about \$130,000 a year for a security company.—(interjection)—

* (2110)

Ms. Hemphill: Mr. Chairman, I want to spend a few questions and a little bit of time trying to understand where the market is for this new type of casino and it just was really looking at the Minister's own description, you know, a new style of casino, which will offer casino gaming in a sophisticated venue reflective of the elegant low key casino operations in Europe.

Unique, it will attract people who view casino gaming as an entertainment and are able to afford to gamble with special emphasis on the tourist market. That is not the make-up of the people who attended the casino and gave the people of Manitoba the revenue with which to use on other programs would not fit into that description. So I do not think that you are—think you

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have designed a new system, kind of a high rolling, sophisticated, elite system that will attract other people. I think you are going after other people so I want to ask questions in two areas.

The people that were attending largely were poor, 62 percent of them had no more than a high school education and 30 percent of them had an elementary education. In terms of income, 27 percent of them were under \$15,000; 36 percent between \$15,000 and \$30,000; and only 12 percent of \$45,000 or more. So the casino was previously operated by working Manitoba families, where most of the revenue came from.

I do not think they are going to be attracted nor do I think they are going to be welcome at this new casino and so, No. 1, I wonder where you think they are going to go if they indeed want to continue to have an opportunity to play a casino, and the one where they would go and were welcome has been eliminated. It has been taken over by one that is going to be directed towards a higher level, more sophisticated, richer, more higher rolling clientele.

Could you address that question of what is happening to the old group that gave us all the money in the past? Where are you getting the new people from and what is your target market?

Mrs. Mitchelson: Mr. Chairperson, 85 percent of the revenue that was generated at the casino at the Convention Centre was generated on the high-limit tables. So that indicates to me that there was a fairly high level of betting at the casino at the Convention Centre, and there are going to be the low-limit tables at the Hotel Fort Garry just as there were at the Convention Centre. As a matter of fact, I believe that at the Convention Centre there were some 16 high—12, pardon me, I am sorry—12 high-limit tables with a \$200 maximum, and those were the tables that generated 85 percent of the revenue at the Convention Centre.

The slot machines will definitely attract a different type of person. There are many people that would not go into the casino at the Convention Centre for whatever reason, because they did not like the atmosphere and so those are people that may attend the casino at the Fort Garry Hotel.

There are, as I said, people that would not go in to gamble at the tables at the Convention Centre that will now, and the slot machines will attract a different type of person. We are expecting that more people will come from outside of the province, and we are looking at the tourist market. The market research that has been done shows that very few people from outside the Province of Manitoba knew that there was a casino in the city of Winnipeg before. When the type of casino that we are contemplating, or that we are going to be opening at the Fort Garry Hotel, was mentioned to them they indicated that more than likely at some point over the next two years, that they would come to Winnipeg to visit the casino, along with the other amenities that we have to offer here in our city of Winnipeg.

Ms. Hemphill: Mr. Chairman, that information surprises me. I found myself in the position of looking at one of your staff and saying, is that true? I know he had just given you the information to give to me.

It surprises me for two reasons. The information that I had suggested that in terms of the range of tables that the one that was used the most was the five to 50. The second was the two—I cannot read my own writing, no—anyway, the third one was the ten to 100 and the fourth one was the 25 to 200. In other words, it was my understanding that the use went in that progression which suggests to me that the smaller—that is where the ones that had the greatest play—and the higher ones had the smallest amount.

The other reason that surprises me is that when you look at the characteristic of our casino patrons and you see the income levels of the major players, like 60 percent of them are earning under—let me see—70 percent of them practically are under \$30,000, and nearly 30 percent are under \$15,000.00. It is hard to believe that those people in large numbers are playing \$200 tables. Did you have figures that showed the play at the different tables?

Mrs. Mitchelson: We do have information on all of the tables and I do not know if it is here. I do not believe we have it here. But 20 percent of the tables generated over 80 percent of the revenue at the Convention Centre, and those are the tables with the high bet limits.

Ms. Hemphill: I do not need the information tonight, but I would not mind seeing the actual breakdown of the different gaming tables. When the Minister first announced this she kept talking about the mess that was at the Convention Centre, and I was never quite sure what the mess was. I did not know if it was the people that were coming, or what they were wearing, or what was being generated as a result of their attendance, or the activity there. She talked about it being a family activity and—was she shaking her head, did I misunderstand?—I think she was selling this as a family night out, you know, where families could go. My question is, I guess, if I showed up in a pair of cords and a T-shirt and my colleague showed up in a sweater and did not have a tie on, and had on a pair of jeans, would we be allowed in?

* (2120)

Mrs. Mitchelson: Well, Mr. Chairperson, there is a dress code and it goes along with the atmosphere of the Fort Garry Hotel. We have indicated that dress code will be a shirt and a tie and appropriate attire for women, that matches, a business or, you know, appropriate wear. Now, the Member mentions a family night out and I guess it was very definitely one of the things that the media and the Opposition picked up on. It was a slip of the tongue and as soon as I said it my hand went over my mouth.

What I was trying to say was there were a lot of women that would not go into the casino at the Convention Centre mainly—and I do not know what the reasons were, I suppose it was the atmosphere that

was created—and I think that if you talk to couples that travel to the States or to Europe to gamble you will find it is the women that are attracted maybe to the slot machines, and the men that are attracted to the table games. I think if you look at the table games at the casino at the Convention Centre the most frequent visitor would be the male between the ages of 30 and 45, or somewhere around there. So those were the most frequent visitors, but what I was going to say it would be more of a couples night out, not a family night out. That was indicated in the paper and obviously the Opposition and the media have had great fun with it, but it was very much a slip of the tongue, and one of those slips that I will always live to regret, I must say. But anyway, what I was saying was that a man and a woman might go out for an evening, and they might stop in at the Fort Garry Hotel where they would not stop in at the Convention Centre because of the atmosphere where the women might play a little bit at the slot machines and the man might go into the table games.

Ms. Hemphill: We have all had slips of the tongue that we have regretted when you spend any time in this House, and we have all tried to live up to our or outlive ours.

What is the percentage of total Government revenues that we are getting from Lotteries? Is it about 2 percent, and do you expect it to go up or down as a percentage of total Government revenues?

Mrs. Mitchelson: I have to look around for the Minister of Finance (Mr. Manness), because I am not sure what total Government revenue is, but the total lottery revenue is about \$60 million.

Ms. Hemphill: I think it has tended to be around 2 percent and I just wondered as you were projecting the projected Government revenues, and you projected lottery revenues, what you saw the percentage of total Government revenues as staying at.

An Honourable Member: 1.5 percent.

Ms. Hemphill: Is it 1.5? I thought it was around 2, okay.

An Honourable Member: I am right on that.

Mrs. Mitchelson: I would image we have predicted that the casino is going to earn \$10 million of revenue per year, and we are predicting modest increases of 2 percent, 2.5 percent in Lotteries revenues other than casinos. We are talking about 6/49 and break-open tickets and bingos and all other forms of lottery revenue.

Ms. Hemphill: Can the Minister tell us, since they are expecting to draw on markets outside of Manitoba for the first time, what they are doing to advertise and promote? Is it being done just through her department? Is Tourism using it as a vehicle to promote it as a tourist attraction? What do they expect to spend on advertising and promotion outside of Manitoba?

Mrs. Mitchelson: Mr. Chairperson, we are working right now with Tourism Manitoba and Tourism Winnipeg to

see what the best way of promoting it as a tourist attraction. I do not think we want to promote it as "the" tourist attraction for the City of Winnipeg or the Province of Manitoba, but it is one more amenity that might be promoted along with a lot of other very positive things that our City of Winnipeg has to offer. So we are looking right now at ways and means of promoting it as a tourist attraction. We know pretty well the markets that might attract tourists, and we are looking at Minnesota, North Dakota, Saskatchewan and Northwestern Ontario.

Ms. Hemphill: Can the Minister tell us if there were in the change-over—the closing down of the one at the Convention Centre and the delay in opening the other—with this change were there any groups that lost revenue that were expecting a revenue, any that lost and, if there were, was there any compensation?

Mrs. Mitchelson: Mr. Chairperson, no, there were no groups that lost as a result. Casino revenues are no longer going to be going to non-profit or charitable organizations. We have transferred that money over and we have taken the average of the last three years, I believe it is, and added that on to their revenue on—what we did for those groups in the City of Winnipeg that were receiving casino revenues was give them the same amount of money that they had earned in '87-'88, and the reason we picked '87-'88 is because the revenues in '88-'89 were down a little bit so we took their '87-'88 revenues and transferred the allocation to those organizations out of the Gaming Fund. So in fact they were compensated in that way and will continue to be compensated for those casino days.

Those in rural Manitoba, we took the average of the last three years of earnings and gave them 200 percent of the average of their last three years' earnings.

Ms. Hemphill: Mr. Chairman, can the Minister tell us what the situation is with rural casinos, or what is happening there? What are the opportunities for people out in the rural areas?

Mrs. Mitchelson: Mr. Chairperson, there is not any casino within the periphery of the City of Winnipeg that would function operationally now. They have been paid out 200 percent of their last three years of earnings as a compensation payment. Brandon has opted also for a compensation payment, in lieu of running a casino. The Pas has indicated they would still like to attempt to run a casino and they are far enough away from the City of Winnipeg that we will take a look at that one, and I think Thompson and Flin Flon we are still negotiating with.

Ms. Hemphill: Mr. Chairman, what did they get as compensation? What was the compensation that was offered?

* (2130)

Mrs. Mitchelson: We took a total of their last three years of earnings and we paid them out 200 percent of the average for three years, the last three years of operation.

Ms. Hemphill: This is kind of a peculiar question, and it is about something that I know nothing about, which is not unusual for people to stand up in the House and ask questions about which they know nothing. This is about slow pitch, something that is called slow pitch, and it is my understanding that this is a new kind of baseball game that is not fast, that is not regular baseball, it is slow—

An Honourable Member: Underhanded.

Ms. Hemphill: Underhanded, he is saying. They are suggesting that this is really growing and that slow pitch is becoming the thing to do, a lot of people are interested in slow pitch. They have a lot of games, they are in international competition. The point is they do not feel they have access to fundraising because they are not under the Sports Federation because the competing organization, which is fast pitch, is fastball, is under.

Their point is that they are appealing to a lot of people, they have more teams than anybody else, they are in The Pas, they are in Dauphin, they are all over the place, and they do not have any access to money because they are not, sort of, legitimized by being under the Sports Federation. My question is, what advice does the department have to people like this who seem to have something that appeals to a lot of people who are ruled out of receiving money, because they are in competition with something that was established earlier? If they cannot get it from the Lotteries system, where can they go to raise money?

Mrs. Mitchelson: I know this is not going to solve all of their problems, but they can run raffles or apply for a bingo licence. I know sometimes those are not satisfactory ways of raising money, but it is very definitely a Sport issue, I believe. I think that maybe when the Minister of Sport (Mr. Ernst) has his Estimates—I hate to pass the buck, but there is a Sport policy being developed right at this point in time and I think there is some concern out there throughout the province that there are some groups that are falling through the cracks. Those are issues that are going to have to be looked at in the overall context of Sport and support for sport, I guess, throughout the province.

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

Mr. Bill Uruski (Interlake): Mr. Acting Chairman, to the Minister, has the Minister provided a breakdown of all the revenues by class of lottery for the members of the committee? If she has, I will get it from Hansard. If not, if you have a breakdown by class of the various lotteries and whatever statistical information that can be provided in terms of sales—do we have that?

Mrs. Mitchelson: In the financial statement of the Manitoba Lotteries Foundation, I believe.

Mr. Kozak: Mr. Acting Chairman, I have one final question in this area before we proceed to vote. There has periodically been concern expressed about the elimination of casino operations in rural Manitoba. The Minister has provided some indication that

compensation will be provided to rural organizations that are now losing their access to casino revenues. Could the Minister elaborate for us as to whether the compensation provided will be, this year and in subsequent years, an appropriate match for the revenues that rural organizations are losing as a result of the termination of their access to casino revenues?

Mrs. Mitchelson: The compensation tax that was put in place for rural casinos—and I do want to indicate that none of the casinos was in driving distance of the City of Winnipeg—would be viable with a year-round casino at the Fort Garry Hotel. As I have said before, the people who visited those casinos in rural Manitoba were those from the City of Winnipeg.

What we did was put in place, offer them a compensation package. We looked at the last three years of revenue and gave them 200 percent of the average of those three years of casino revenues, and offered them a compensation package over three years of that amount of money. What most—I believe all—of the operations or organizations opted for was a lump sum payment, so we gave them the full 200 percent in one lump sum.

Mr. Kozak: Mr. Acting Chairman, am I to assume then, and are the rural organizations that have in the past benefited from casino revenues to be cut off from casino revenues at the termination of the three-year period?

* (2140)

Mrs. Mitchelson: They have received their lump-sum payment for the next three years and there will be no more casinos after that time.

Mr. Kozak: In that case, Mr. Acting Chairman, the rural organizations that have been dependent on the casino do have the satisfaction of a lump sum payment, but three years hence will likely find themselves scrambling for replacement for revenues on which they have come to rely over the years.

Mrs. Mitchelson: We are going to have to look, over the next period of time, seriously at what we can do to aid and assist rural Manitoba in obtaining some form of Lotteries revenue if they should so choose to initiate something.

One of the concerns that I have heard in my travels throughout rural Manitoba this summer and in our Cabinet meetings through rural Manitoba is that there is some concern about bingo licences and that kind of thing being somewhat prohibitive or inhibitive to people outside of the Perimeter Highway.

What I have done is asked the Lotteries Foundation, over the next several months, I would imagine before the end of the Spring, I would say starting in the new year, to go out and meet with those communities outside the City of Winnipeg, ask what their concerns are regarding bingo licensing, and see whether we are really addressing their needs or if there is a way or means of trying to accommodate them in a way so that they can earn more revenue or revenues in a different way.

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So we are going to actively be pursuing that and meeting with those outside the City of Winnipeg.

Mr. Kozak: The Minister is then satisfied that a bingo strategy will be, dependent on the consultations with rural organizations, fully satisfactory to them in terms of a permanent replacement for their bingo revenues. I would further ask if she suggests that we can expect an announcement from her on this matter within the next six months?

Mrs. Mitchelson: I would hope, but I cannot guarantee within six months. I do not know how long it will take, I do not know how complicated the issues are going to be, and what it is going to take to attempt to resolve them. If it is something that can be done very quickly, of course we will move on it very quickly. I guess we have to know what the issues are, what the concerns are, and act from there accordingly. We are not going to drag it out for a long period of time. As soon as we can possibly make a decision and improve things, if we can, we will.

Mr. Kozak: It is a source of some satisfaction to the Opposition that there is a stopgap measure in place. Without asking the Minister a question, I would suggest to her that the Opposition is extremely interested in seeing a permanent solution in place to offer to rural organizations a long-term replacement for the casino revenues that they will be losing, particularly, on termination of the three-year stopgap period.

Mr. Uruski: Just to the Minister during the discussion on review of the bingo licensing, that issue seems to be cropping up and has for a number of years from time to time about changes in the regulations. As I understand it, presently, one of the concerns that has been raised with myself, and I am sure with the officials, and I may not be explaining it correctly, but the Minister will perhaps have her officials clarify it, and that comes out of any communities which are singly operated bingo games, maybe a community hall, and would have a relatively small clientele where you would have probably players ranging from maybe 30 to maybe 100 at maximum, or maybe when the jackpot goes up. Where the difficulty comes in is how and at what time the prize money has to be paid out.

(Mr. Chairman in the Chair.)

The concerns that have been raised with me are that in some of those bingos where the amount of numbers which are played for a particular bingo increase, there is apparently a time frame, as I understand it, that prizes have to be paid out. The concern has been raised that usually for the first number of weeks or maybe even months, there are very few clientele until that prize money builds up. In the meantime they have to turn it over, but they have not been able to raise the kind of money in which to pay it out. That has been the concern that has been raised especially with small communities.

I may be getting it right, I may be getting it wrong, Mr. Chairman, but I think they know where I am coming from. They may have addressed that concern at the present time, but that has been raised with me.

Mrs. Mitchelson: Mr. Chairperson, I understand there was a regulation put in place because in some communities, it was noted that often the jackpot could build and it would never be paid out. Therefore, regulations were put in place so that an organization could not do that kind of thing. Maybe what you are saying is that it has gone a little too far now the other way, and jackpots are having to be paid out on too regular basis. I think that is one of the things that will be looked at when we go out into the communities and ask for input into what the problems are. We can attempt to resolve that.

Mr. Uruski: Mr. Chairman, I thank the Minister for that because that was a concern. Now that the new rules have been in place for a number of months, because it may be about a year now, maybe less, since the new regulations came into being that the concerns that have been raised may have worked themselves through the system. I appreciate the Minister's undertaking to take a look at that question.

* (2150)

There is one other area that keeps coming back at me, and the odd time I get shanghaied into working at a community bingo for the Knights or some other group, I have now come to see and with respect to our whole attitude in society of conservation. We have moved away in the whole bingo process from the cards with the plastic covers, and we are now going to the massive sheets of paper. You come to a bingo hall to play bingo, and you end up buying yourself a wad of paper that ends up strewing the hall with tons and tons of paper, because that is what we are going through.

Mr. Chairman, I know that there was a rationale originally for moving away from—we put it in and I share the responsibility. Now I come to the hall, I have to sweep up. I have to come after the bingo is over. When you are working the bingo you have to push the paper. So I am basically saying it is now time to maybe take another look at this. I am sure all those little community bingos, those community halls did not get rid of those plastic cards. They are stored away someplace high up in the attic of the halls, and they are just waiting to be used to keep us from littering the environment. So if we made a mistake, let us say we made a mistake, and maybe for those small ones, we may want to rethink the whole process. Quite frankly we are using a lot of resource and—

An Honourable Member: We are used to correcting your mistakes.

Mr. Uruski: Well Mr. Chairman, I will be the first to admit if there was a mistake maybe it is time to take a look at it. At that time, it probably was not.

If you were intending to have, quite frankly, the control that was recommended by police forces and others of what was happening in the gambling market, some rational system had to be put into place and good control features.

My suggestion may not be able to be accommodated in light of maybe the controls that they want. It is

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certainly something now that we have had the experience for a number of years, on an ongoing basis, to take a look at that question from an environmental perspective.

Mrs. Mitchelson: Mr. Chairperson, I am pleased to hear the Member for Interlake indicate that the NDP did sometimes make mistakes, or what he perceives maybe to have been a mistake. I guess the reason, and the rationale he indicated for implementation of paper, was for security purposes, for accountability purposes both internally within the organization and also for the Lotteries Foundation.

I suppose, we talk about turning the clock back and maybe going back to the old system. I suppose the same problems that existed before the paper was implemented might exist again. So it is a bit of a dilemma I know, and I do not know what the easy answer would be to that situation or that problem.

Of course, we all do share the environmental concerns that are out there, and who knows, maybe there will be a computer-type of bingo that will be implemented next that will get rid of the paper, the old cards and the old chips and everything in this day of technology. So that might be a thing of the future.

Mr. Kozak: Mr. Chairman, as I note the time I am rather anxious to place on the record one question that is of some importance to me. Many Members of this Assembly would share the view that large free-standing bingo halls, buildings used for the single purpose of bingo operations, can in some cases be a blight on communities.

I wonder if the Minister would take this opportunity to reaffirm the commitment of Government in Manitoba to discourage, if not entirely rule out, the proliferation of large free-standing bingo halls in the province.

Mrs. Mitchelson: Well, if I remember correctly, we started this evening off with questions from the Opposition, from the Liberal Critic, indicating there was some concern that bingo revenues had only increased by some \$35,000, and I indicated that was the increase in revenue in those main bingo halls in the City of Winnipeg.

I think from the comments he was making at that time he was indicating support for bingo and for the concept of bingo for community organizations.

Mr. Kozak: I assure the Minister that there was no inconsistency in the remarks I put on the record this evening. My Party certainly supports the concept of

community bingos, supporting small organizations and church organizations.

The concern I am expressing now is strictly related to the construction of single-use large bingo halls, bingo facilities, as opposed to the conduct of bingos in present community structures, which are used for other purposes as well.

Mrs. Mitchelson: Mr. Chairperson, I cannot, at this point in time, see any expansion or increase in those major bingo facilities.

Mr. Chairman: Item 1.(a)—pass.

Resolution No. 24: RESOLVED that there be granted to Her Majesty a sum not exceeding \$1,918,300 for Culture, Heritage and Recreation, Administration and Finance, for the fiscal year ending the 31st day of March, 1990—the Honourable Minister.

Mrs. Mitchelson: Mr. Chairperson, just before we pass, can I put a comment or two on the record? I would just like to say thank you very much to the staff of the Manitoba Lotteries Foundation for their able assistance. It has been a very busy year, and both to the staff of the Lotteries Foundation and to the Board of the Lotteries Foundation, I want to say thank you for the support and the information they have given me in order for us to make some major decisions on the new casino operation, and on the needs assessment and the implementation of that needs assessment that is under way right now presently.

I would just like to put on the record too that I am sure most Members of the House are aware, but Mr. Garth Manness is leaving the Manitoba Lotteries Foundation. He is moving on to be general manager of the Western Canada Lotteries Corporation. So I think although we are going to miss him very much at the Lotteries Foundation, I do know that he will be a good spokesperson and work on behalf of Manitoba also at the Western Canada Lotteries Corporation. I want to thank him especially for the help that he has been and wish him well. I know that our relationship will continue in his capacity as the general manager of the Western Canada Lotteries Corporation.

Mr. Chairman: Shall the item pass—pass.

Committee rise. Call in the Speaker.

IN SESSION

Mr. Deputy Speaker (William Chornopyski): The hour being 10 p.m., this House is adjourned and remains adjourned until 1:30 p.m. tomorrow (Tuesday).