



Fourth Session - Thirty-Sixth Legislature

of the

Legislative Assembly of Manitoba

**DEBATES
and
PROCEEDINGS**

**Official Report
(Hansard)**

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The Honourable Louise M. Dacquay
Speaker*



MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Sixth Legislature

Member	Constituency	Political Affiliation
ASHTON, Steve	Thompson	N.D.P.
BARRETT, Becky	Wellington	N.D.P.
CERILLI, Marianne	Radisson	N.D.P.
CHOMIAK, Dave	Kildonan	N.D.P.
CUMMINGS, Glen, Hon.	Ste. Rose	P.C.
DACQUAY, Louise, Hon.	Seine River	P.C.
DERKACH, Leonard, Hon.	Roblin-Russell	P.C.
DEWAR, Gregory	Selkirk	N.D.P.
DOER, Gary	Concordia	N.D.P.
DOWNEY, James, Hon.	Arthur-Virden	P.C.
DRIEDGER, Albert	Steinbach	P.C.
DYCK, Peter	Pembina	P.C.
ENNS, Harry, Hon.	Lakeside	P.C.
EVANS, Clif	Interlake	N.D.P.
EVANS, Leonard S.	Brandon East	N.D.P.
FAURSCHOU, David	Portage la Prairie	P.C.
FILMON, Gary, Hon.	Tuxedo	P.C.
FINDLAY, Glen, Hon.	Springfield	P.C.
FRIESEN, Jean	Wolseley	N.D.P.
GAUDRY, Neil	St. Boniface	Lib.
GILLESHAMMER, Harold, Hon.	Minnedosa	P.C.
HELWER, Edward	Gimli	P.C.
HICKES, George	Point Douglas	N.D.P.
JENNISSON, Gerard	Flin Flon	N.D.P.
KOWALSKI, Gary	The Maples	Lib.
LAMOUREUX, Kevin	Inkster	Lib.
LATHLIN, Oscar	The Pas	N.D.P.
LAURENDEAU, Marcel	St. Norbert	P.C.
MACKINTOSH, Gord	St. Johns	N.D.P.
MALOWAY, Jim	Elmwood	N.D.P.
MARTINDALE, Doug	Burrows	N.D.P.
McALPINE, Gerry	Sturgeon Creek	P.C.
McCRAE, James, Hon.	Brandon West	P.C.
McGIFFORD, Diane	Osborne	N.D.P.
McINTOSH, Linda, Hon.	Assiniboia	P.C.
MIHYCHUK, MaryAnn	St. James	N.D.P.
MITCHELSON, Bonnie, Hon.	River East	P.C.
NEWMAN, David, Hon.	Riel	P.C.
PENNER, Jack	Emerson	P.C.
PITURA, Frank, Hon.	Morris	P.C.
PRAZNIK, Darren, Hon.	Lac du Bonnet	P.C.
RADCLIFFE, Mike, Hon.	River Heights	P.C.
REID, Daryl	Transcona	N.D.P.
REIMER, Jack, Hon.	Niakwa	P.C.
RENDER, Shirley	St. Vital	P.C.
ROBINSON, Eric	Rupertsland	N.D.P.
ROCAN, Denis	Gladstone	P.C.
SALE, Tim	Crescentwood	N.D.P.
SANTOS, Conrad	Broadway	N.D.P.
STEFANSON, Eric, Hon.	Kirkfield Park	P.C.
STRUTHERS, Stan	Dauphin	N.D.P.
SVEINSON, Ben	La Verendrye	P.C.
TOEWS, Vic, Hon.	Rossmere	P.C.
TWEED, Mervin	Turtle Mountain	P.C.
VODREY, Rosemary, Hon.	Fort Garry	P.C.
WOWCHUK, Rosann	Swan River	N.D.P.
Vacant	Charleswood	

LEGISLATIVE ASSEMBLY OF MANITOBA

Monday, April 20, 1998

The House met at 1:30 p.m.

PRAYERS

ROUTINE PROCEEDINGS

PRESENTING PETITIONS

Winnipeg Hospitals Food Services—Privatization

Mr. Conrad Santos (Broadway): Madam Speaker, I beg to present the petition of E. Strutinsky, E. Emberly, P. Chong and others praying that the Legislative Assembly of Manitoba ask the Minister of Health (Mr. Praznik) to put an end to the centralization and privatization of Winnipeg hospitals food services.

Mr. Jim Maloway (Elmwood): Madam Speaker, I beg to present the petition of G. Pinlak, R. Paulhus and R. Black and others praying that the Legislative Assembly of Manitoba urge the Minister of Health to put an end to the centralization and privatization of Winnipeg hospitals food services.

Mr. Clif Evans (Interlake): Madam Speaker, I would like to present the petition of R. Colliou, A. Trudeau and N. Gledhill and others praying that the Legislative Assembly of Manitoba urge the Minister of Health to put an end to the centralization and privatization of Winnipeg Hospitals Food Services.

READING AND RECEIVING PETITIONS

Winnipeg Hospitals Food Services—Privatization

Madam Speaker: I have reviewed the petition of the honourable member for Elmwood (Mr. Maloway), and it complies with the rules and practices of the House. Is it the will of the House to have the petition read?

An Honourable Member: Dispense.

Madam Speaker: Dispense.

THAT the Urban Shared Services Corporation (USSC) has announced plans to privatize laundry, food services and purchasing for the Winnipeg hospitals; and

THAT it is estimated that more than 1,000 health care jobs will be lost over the next year as a result, with many more privatized in the next two or three years; and

THAT under the terms of the contract, Ontario businesses will profit at the expense of Manitoba's health care system; and

THAT after construction of a food assembly warehouse in Winnipeg, chilled, prepared food will be shipped in from Ontario, then assembled and heated before being shipped to the hospitals; and

THAT people who are in the hospital require nutritious and appetizing food; and

THAT the announced savings as a result of the contract have been disputed, and one study by Wintemute Randle Kilimnik indicated that, "A considerable number of studies have compared costs of service delivery in health care between self-operation (public sector) and privatization. Invariably, privatization is more expensive."; and

THAT no one in Manitoba seems to benefit from this contract, especially patients.

WHEREFORE YOUR PETITIONERS HUMBLYPRAY that the Legislative Assembly of Manitoba urge the Minister of Health to put an end to the centralization and privatization of Winnipeg hospital food services.

Madam Speaker: I have reviewed the petition of the honourable member for Selkirk (Mr. Dewar), and it complies with the rules and practices of the House. Is it the will of the House to have the petition read?

An Honourable Member: Dispense.

Madam Speaker: Dispense.

THAT the Urban Shared Services Corporation (USSC) has announced plans to privatize laundry, food services and purchasing for the Winnipeg hospitals; and

THAT it is estimated that more than 1,000 health care jobs will be lost over the next year as a result, with many more privatized in the next two or three years; and

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THAT no one in Manitoba seems to benefit from this contract, especially patients.

WHEREFORE YOUR PETITIONERS HUMBLY PRAY that the Legislative Assembly of Manitoba urge the Minister of Health to put an end to the centralization and privatization of Winnipeg hospital food services.

Madam Speaker: I have reviewed the petition of the honourable member for Point Douglas (Mr. Hickes), and it complies with the rules and practices of the House. Is it the will of the House to have the petition read?

An Honourable Member: Dispense.

Madam Speaker: Dispense.

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THAT it is estimated that more than 1,000 health care jobs will be lost over the next year as a result, with

many more privatized in the next two or three years; and

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THAT no one in Manitoba seems to benefit from this contract, especially patients.

WHEREFORE YOUR PETITIONERS HUMBLY PRAY that the Legislative Assembly of Manitoba urge the Minister of Health to put an end to the centralization and privatization of Winnipeg hospital food services

Madam Speaker: I have read the petition of the honourable member for Burrows (Mr. Martindale), and it complies with the rules and practices of the House. Is it the will of the House to have the petition read?

An Honourable Member: Dispense.

Madam Speaker: Dispense.

WHEREAS the provincial government has embarked upon a project in which it is closing hospital kitchens and having hospital food transported in from Toronto for reheating; and

WHEREAS this proposal will not improve the quality of food but will cost hundreds of jobs to the provincial economy; and

WHEREAS on December 8 of 1997, the provincial cabinet staged a photo opportunity for the media in which government MLAs were served chicken breast from a chef flown in from Toronto for the occasion while the actual meal served residents that night was macaroni and peas; and

WHEREAS this proposal will result in more health care dollars being spent on questionable privatization projects; and

WHEREAS in December of 1997, the provincial government was forced to drop a similar privatization scheme involving home care which had been opposed by the clients, families and the public; and

WHEREAS once again the provincial government without consultation has committed itself to a privatization project which will likely cost taxpayers more money for a poorer quality service, thus forgetting the patients who deserve better care.

WHEREFORE YOUR PETITIONERS HUMBLYPRAY that the Legislative Assembly of Manitoba may be pleased to request the Minister of Health to consider immediately cancelling the hospital food proposal and concentrate on delivering quality health care instead of using health dollars to provide contracts for private firms.

Madam Speaker: I have read the petition of the honourable member for Flin Flon (Mr. Jennissen), and it complies with the rules and practices of the House. Is it the will of the House to have the petition read?

An Honourable Member: Dispense.

Madam Speaker: Dispense.

WHEREAS the provincial government has embarked upon a project in which it is closing hospital kitchens and having hospital food transported in from Toronto for reheating; and

WHEREAS this proposal will not improve the quality of food but will cost hundreds of jobs to the provincial economy; and

WHEREAS on December 8 of 1997, the provincial cabinet staged a photo opportunity for the media in

which government MLAs were served chicken breast from a chef flown in from Toronto for the occasion while the actual meal served residents that night was macaroni and peas; and

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WHEREAS once again the provincial government without consultation has committed itself to a privatization project which will likely cost taxpayers more money for a poorer quality service, thus forgetting the patients who deserve better care.

WHEREFORE YOUR PETITIONERS HUMBLYPRAY that the Legislative Assembly of Manitoba may be pleased to request the Minister of Health to consider immediately cancelling the hospital food proposal and concentrate on delivering quality health care instead of using health dollars to provide contracts for private firms.

Madam Speaker: I have reviewed the petition of the honourable member for the Interlake (Mr. Clif Evans), and it complies with the rules and practices of the House. Is it the will of the House to have the petition read?

An Honourable Member: Dispense.

Madam Speaker: Dispense.

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THAT it is estimated that more than 1,000 health care jobs will be lost over the next year as a result, with many more privatized in the next two or three years; and

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THAT no one in Manitoba seems to benefit from this contract, especially patients.

WHEREFORE YOUR PETITIONERS HUMBL Y PRAY that the Legislative Assembly of Manitoba urge the Minister of Health to put an end to the centralization and privatization of Winnipeg hospital food services.

PRESENTING REPORTS BY STANDING AND SPECIAL COMMITTEES

Committee of Supply

Mr. Marcel Laurendeau (Chairperson): Madam Speaker, the Committee of Supply has adopted certain resolutions, directs me to report the same and asks leave to sit again. I move, seconded by the honourable member for Emerson (Mr. Penner), that the report of the committee be received.

Motion agreed to.

TABLING OF REPORTS

Hon. Vic Toews (Minister of Justice and Attorney General): Madam Speaker, it is my pleasure to table the Supplementary Information for Legislative Review relating to the 1998-1999 Departmental Expenditure Estimates.

* (1335)

Introduction of Guests

Madam Speaker: Prior to Oral Questions, I would like to draw the attention of all honourable members, firstly to the Speaker's Gallery, where we have with us today members of the Standing Committee of the Public Accounts of the Legislature of the North-West Province, South Africa, led by the chairman, Mr. Van Deventer. On behalf of all honourable members, I welcome you this afternoon.

Also seated in the public gallery we have twenty-one Grade 9 students from Isaac Newton School, under the direction of Ms. Jane Lower. This school is located in the constituency of the honourable member for Burrows (Mr. Martindale). On behalf of all honourable members, I welcome you this afternoon.

ORAL QUESTION PERIOD

Health Care System Impact of Nursing Layoffs

Mr. Gary Doer (Leader of the Opposition): Madam Speaker, my question is to the First Minister (Mr. Filmon). A report released today by nurses on the front line indicates that close to 86 percent of the nurses working across Manitoba believe that since 1995, which would be through two different Health ministers, three areas of health care services have been neglected in terms of their roles. These are three areas out of basic nursing care, treatment, medication, vital signs, charting and patient education. I would like to ask the Premier: what impact has his government's decision to lay off or fire close to 1,000 nurses had on the disastrous state of affairs in Manitoba's health care system, as reported by the nurses here today?

Hon. Darren Praznik (Minister of Health): Madam Speaker, it is interesting that the comparison only goes back to 1995. I think if one were to go back somewhat farther, I have today, and I am prepared to table it, a report from the Winnipeg Free Press dated July 11, 1983, and I would like to quote from it just to put this report into perspective and context: The union bargaining for Manitoba nurses says understaffing of hospitals has continued throughout the year despite an

increase in the number of incidents endangering patients. As a result, the Manitoba Organization of Nurses Associations is stepping up its campaign to make the public hospitals administration and the provincial government aware of what it sees as a health care crisis.

This is back in 1983. Vera Chernecki, president of the 7,300-member union, which, by the way, I believe is larger today than it was in 1983, is quoted as saying: They are being silent Florence Nightingales. Chernecki said the danger to patients continues unabated and cited some recent examples. Those are listed in this particular result.

The point that I make, Madam Speaker, is this has been something the MNU has continually put out for well over a decade.

Mr. Doer: Well, thank you, this no-show minister, Madam Speaker, for—and if the minister is not listening to patients and nurses—[interjection]

Madam Speaker: Order, please.

Mr. Doer: During the last election campaign, Madam Speaker, which was in 1995, the Premier (Mr. Filmon) stated that hiring Connie Curran would have been judged by most Manitobans and paying her some \$4.5 million U.S. was a mistake. Regrettably, after the election campaign the Premier then proceeded to implement the reductions in nurses across Manitoba as recommended by Ms. Curran, and nurses today feel that this has really affected the patient care, the patient workload, the effectiveness of nurses and the numbers of nurses in Manitoba.

Madam Speaker, I would like to ask the Premier: why did he implement the cutback of close to a thousand nurses in Manitoba after he said in the heat of an election campaign that hiring Connie Curran was a mistake?

* (1340)

Mr. Praznik: Madam Speaker, again, to put things into context of this report, this report has been a tool used by the Manitoba Nurses' Union, and I am not to take away—some of the information in this report I find

very useful. I want to say that. But let us put the document into context, because going back to 1983, even before the member for Concordia (Mr. Doer) had entered this Legislature, the same Vera Chernecki is quoted in the Free Press as saying: Chernecki said direct or potential danger to patients has included many incidents when nurses could not offer all the necessary care for their critically charged patients and were reduced to keeping them alive. In many cases, Chernecki says general duty bedside nurses were so busy with urgent chores that vital sign collection and recording ordered by patients' doctors at one- and two-hour intervals could not be carried out.

The fact of the matter, as the Free Press I think rightly pointed out in its editorial this weekend, is that the system has always been under a great deal of pressure. This is certainly not something new. It has been around for many, many years. There are some ways of improving the situation, and the hospital authorities will be exploring them.

Public Health Nurses Staffing

Mr. Gary Doer (Leader of the Opposition): Again, the minister did not answer the question. At another forum which he refused to attend last week, Madam Speaker, Tony Quaglia said it has never been so bad as in the last five years under this Premier (Mr. Filmon) and this government in terms of what is going on in health care.

I would like to ask another question. A hundred percent of the public health nurses have stated that there has been a reduction in the nursing staff dealing with the public; 97 percent of public health nurses feel that they do not have the adequate resources. Given the Postl report and the promise of this Premier in the election campaign, why are we not giving our public health nurses adequate staffing levels and adequate resources to do the job on behalf of Manitobans?

Hon. Darren Praznik (Minister of Health): Madam Speaker, I believe the Leader of the Opposition meant to say that whatever percentage he was quoting of public health nurses was the percentage that responded to the study, not in total numbers of public health nurses. As we have moved to regional health

authorities and as resources are being looked at and examined by those regional health authorities, I can tell the member that some of the issues that Ms. Chernecki has raised with me in terms of the staffing levels for nurses—her claim that great amounts of overtime are currently being used by our independent hospitals and that those resources put in to help make more positions available for full-time nurses would go a long way to solve that problem. That is one of the issues that the regional health authority will now have the ability to deal with, and that ability did not exist until the creation of those regional health authorities.

Health Care System Government Initiatives

Mr. Dave Chomiak (Kildonan): Madam Speaker, if the government is not even willing to acknowledge or listen to the nurses, to the 5,000 nurses of Manitoba who filled out this form, then this province is in grave difficulty. The pattern continues of blame, blame, blame. This report is unprecedented in the history of Manitoba. Let the minister pull out a study or a report from Manitoba or any other jurisdiction that is as bad as this one where nurses say that—oh, 51 percent of nurses rate the quality of patient care as very poor to fair.

Will this government finally listen? What steps will they take to finally do something in terms of health care and stop blaming everyone for the problem and finally do something about it?

Hon. Darren Praznik (Minister of Health): Madam Speaker, no one is blaming anyone here. What we are doing is putting into context a report that is released regularly. This report goes back to the early 1980s when members opposite were in power, and that report—[interjection] Well, I am quoting the Free Press. I guess they can defend their own paper and their reporting, but the fact of the matter is the same kind of language describing the situation in health care, very similar language, was used in 1983, so let us put things in context. There is no doubt that our acute care system has gone through great difficulty as we have moved in the transition to long-term care.

An Honourable Member: No, you have not.

Mr. Praznik: Well, the member for Concordia (Mr. Doer) says, no, we have not moved. While tripling the

home care budget in a decade, we now spend—I think Saskatchewan spends some \$70 million, a little over \$70 million a year for home care. We spend \$123 million. Do we see in this report any acknowledgement of that shift in services? No, Madam Speaker.

* (1345)

Mr. Chomiak: Madam Speaker, can the minister explain, since in his first response he said: well, the regional health authority in Winnipeg is going to clear this up, why in this report it states that in all but one category northern Manitoba has the worst ratings of anywhere in the province of Manitoba when, in fact, the minister's own regional health authorities are already operating in that jurisdiction? Is that not an indictment of the policies of this government as it relates to health care?

Mr. Praznik: Madam Speaker, we have spent countless hours in Estimates getting into very great detail about the changes that we are taking on as a province. The member for Kildonan is very well aware that there are some fundamental problems in our system around how we organize and administer health care, how we have accountability in our budget, which makes it very difficult to move resources accurately around the system, as well, with our ability to garner the right information on which to make decisions. All of the fundamental changes that are needed to correct those fundamental problems, which I believe will lead to significant improvements in the delivery of health care, are in the process of taking place. Do they happen overnight? No, they do not, and the member knows that. We have discussed this in Estimates. Today he comes to this House as if he has amnesia.

Mr. Chomiak: Madam Speaker, will the Premier (Mr. Filmon) or the Minister of Health or anyone on that side at least acknowledge and recognize the fact that 5,000 nurses put together an unprecedented report that is the greatest indictment of the health care system that you have been managing for 10 miserable years in this province? Will you at least acknowledge that there are major deficiencies that need address, that you cannot hide behind the regional boards, that you have to implement some programs and systems immediately to deal with this or people are going to continue to get hurt and suffer in the hallways of the province of Manitoba?

Mr. Praznik: Madam Speaker, if things are in crisis today, according to the same group of nurses, they were in crisis in 1983. So let us put the report into some context. We have never denied some of the very real problems in this system.

Some Honourable Members: Oh, oh.

Madam Speaker: Order, please. The honourable Minister of Health, to complete his response.

Mr. Praznik: Thank you, Madam Speaker. We have never denied where there have been problems, and we have never been afraid to discuss the solutions. The member and I engage in that debate regularly about where we need to go. One of the things we have learned just in the last year as we have taken over those facilities across the province, some 180 independent boards, I have a number of facilities, particularly rural facilities that had operating surpluses in the bank, and they told me one of the reasons they had them is because they were not hiring their full complement of staff. Does that result in the kinds of statements that are made in here? Yes. Is that the problem with the provincial government? No.

The way in which we budget and hold health care, the delivery system accountable is very fundamental to the reform and change. We are taking the steps to do that, while the Leader of the Opposition (Mr. Doer) continues to support 180 independent boards.

Crime Prevention Antigang Strategy

Mr. Gord Mackintosh (St. Johns): Madam Speaker, to the Minister of Justice. Before the current budget, the government polled Manitobans, which showed that 71 percent said as their highest priority they wanted increased spending going to street gang prevention programs, and this, with one single exception, was the highest demand for a program. My question to the minister is: why did this government selectively reject this advice from Manitobans, and why did he not even so much as mention street gangs in the throne speech? The minister never so much as mentioned street gangs in his December speech on his plans for the year for Justice, and even more importantly, why did they not

even mention the word "gangs" in the budget speech? What planet are these people on?

* (1350)

Hon. Vic Toews (Minister of Justice and Attorney General): The issue of the justice system and its responsiveness, not only in the area of tougher enforcement of our laws to ensure that people are safe but the issue of social agencies or camps that assist people in the inner city, particularly with activities to channel their activities in a positive way, is a very, very important part of this government's and my department's thrust over the last number of years. I know that we have been very successful in working together with the Turtle Island urban sports camp, which is in the member's riding or just outside of it. I am told by the director of public safety that 1,100 children on a monthly basis use that facility. So I do not know what planet the member is on, given that this is happening in his own constituency.

Madam Speaker: The honourable member for St. Johns, with a supplementary question.

Mr. Mackintosh: If everything is okey-dokey, why did they ask the question—

Madam Speaker: Order, please.

Mr. Mackintosh: I ask the question of the minister: why, then, did this government trash its own report on gangs, our own Gang Action Plan, slash all its funding for friendship centres, which meant the layoff of crime prevention workers? Why did it kill the Night Hoops program for inner-city prevention? Why did it now walk away from Ted Hughes's report on the real solution of marketable skills and job prospects for people, why, in fact, this government, in no small way, has helped create the conditions that have bred this crime under this government?

Mr. Toews: I will not attempt to try to answer the number of questions that this member has just put to me. I know that I am entitled to answer one question. What I would suggest is that if—and I have asked the member before. I said why do you not come to my deputy's office, and my deputy will sit down with you and go through all of the programs that we are in fact

doing. Now I know the member for Wolseley (Ms. Friesen) is again chirping from her seat and says why do I not tell him. All right, well, why do I not. I will start.

Madam Speaker, the first thing I would like to, of course, say is that the Turtle Island sports camp has been a very successful sports camp. We have worked together with the Salvation Army and fund that program on an annual basis. There will be an announcement very shortly in respect of another sports camp that I understand may well be in the member for Wolseley's constituency where, I might indicate, members of the community are working together with government as opposed to the member for Wolseley who has nothing but negative things to say.

Madam Speaker: The honourable member for St. Johns, with a final supplementary question.

Mr. Mackintosh: Would this government, instead of this puffery and talking about one single program, open its eyes and see that gangs are claiming ownership of part of this city through their graffiti, loved ones are being murdered, families are hiding from their front windows, kids are afraid to go to school, to community centres? Will it explain why it continues to ignore the needs of Manitobans and the clearly stated wishes of Manitobans?

* (1355)

Mr. Toews: Well, Madam Speaker, I disagree with everything that the member for St. Johns has just stated as a fact in his question. I want to say that this government has worked very closely with police, worked very closely with social agencies and has been very strong supporters of our Crown attorneys. Now I know the member for St. Johns just attacked another Crown attorney last week. I happen to know why he particularly chose to attack that Crown attorney, because that was the Crown attorney who went on CJOB and asked the member for St. Johns to quit misrepresenting what Crown attorneys do. So now he is attacking that Crown attorney. Well, I can tell you we stand with the Crown attorneys, we stand with the police and we stand with social agencies that are moving to protect the people in Manitoba and Winnipeg.

Point of Order

Mr. Steve Ashton (Opposition House Leader): On a point of order, Madam Speaker, Beauchesne Citation 417 is very clear that answers to questions should be as brief as possible, deal with the matter raised and should not provoke debate. Once again, the Attorney General is not only not answering the question but is engaging in some kind of personal vendetta he has with the member for St. Johns. He should be drawn to order and should be required under our rules to either answer the question or not waste the time of Question Period, as he is doing repeatedly in this House.

Madam Speaker: The honourable Minister of Justice, on the same point of order.

Mr. Toews: On the same point of order, I believe that it is essential that people actually understand why the member raises questions and for the purpose that he is raising them. In that particular case, I was simply responding to the question that was really asked, and that was he was criticizing a Crown attorney who had the courage to speak out against that kind of conduct of the member for St. Johns.

Madam Speaker: Order, please. On the point of order raised by the honourable member for Thompson, indeed I would remind the honourable Minister of Justice to respond to the question asked and not provoke debate.

Poverty Rate Reduction Strategy

Mr. Doug Martindale (Burrows): Madam Speaker, today I received a newsletter from east area Child and Family Services, and I would like to quote from it. It says: kids going to school without lunch, babies being fed diluted formula, moms not eating because there is not enough food to go around. Sad but true stories that CFS workers hear often. This ties in with the recommendation or the observations of the Children's Advocate in his fourth annual report last week where he said: "The needs of children and families involved in the child and family services system cannot be isolated from the broader social problems of poverty, unemployment, family violence, etc."

I would like to ask the Minister of Family Services what she and her government are doing to address these broader social problems besides reducing social assistance rates, forcing the City of Winnipeg to reduce food allowances and expanding the PST to include children's clothing and baby supplies, thereby making these problems worse. What is this government going to do to address these very serious concerns?

Hon. Bonnie Mitchelson (Minister of Family Services): Madam Speaker, I thank my honourable friend for the question because it does provide me with the opportunity to share with all Manitobans exactly what we have been doing as a government to try to address the needs. I know that government cannot do it alone, and no one wants government to do it alone. They want us to be working with the community to try to ensure that the best programs are in place to get children off to a healthy start to life, to work with parents and children to try to ensure that parents have the parenting skills to deal with the issues that really are quite complex in today's society and today's reality.

We will continue to work and implement the programs that have just been announced like BabyFirst, like Earlystart in many of the communities and constituencies that my honourable friends across the way represent. We know that there are needs out there, Madam Speaker, and we will continue to address those needs and those issues. I will attempt to provide some more information on the positive initiatives that we have undertaken in subsequent questions.

* (1400)

Mr. Martindale: Will the Minister of Family Services encourage her cabinet colleagues and her government to institute a comprehensive plan to improve the lives of some very poor people who frequently end up in the care of Child and Family Services, the highest rate per capita in Canada, and act on the recommendation of the operational review which says: in Manitoba the Departments of Education, Health and Family Services are all reducing services.

What is this government going to do to co-operate and improve services so fewer children come into care?

Mrs. Mitchelson: Madam Speaker, that is exactly what we have been trying to do. Through the Children

and Youth Secretariat we have been working very aggressively, the Department of Family Services, Department of Education, Department of Health, Department of Justice and others, seven departments within government, to try to ensure that we have a comprehensive approach. As a result of that, we have over \$20 million more in this year's budget that is going to go to services for children through nutrition programming, through early intervention programs for pregnant women and those that are delivering babies, in their first year of life, for those in the preschool system to ensure that they are ready to learn and that they can socially adapt to starting off to school.

All of those initiatives, Madam Speaker, are looking to try to keep children out of the Child and Family Services system and get them off to a better start to life. We all know that if children get off to a healthy start to life, they are better prepared for school and better prepared for the workforce.

Mr. Martindale: What is this minister and her government going to do to reverse the contraction of human services in the human services envelope which is exposing children to greater degrees of risk and being brought into care? Is she going to influence her cabinet colleagues and Treasury Board and her government and her Premier (Mr. Filmon) to reverse the cuts to school counsellors, public health nurses in schools, cuts to children's speech, language and communication disorder services? Will she act with her colleagues to reverse the cuts that have been made that make these problems much worse?

Mrs. Mitchelson: Madam Speaker, I look forward to the opportunity of my Estimates starting and some dialogue and discussion with my honourable friend, because quite frankly he has his head buried in the sand. He has not recognized or realized that we have over \$20 million more in the budget for children and services to children and their families in this year's budget. That is a significant amount of increased resource, not cuts like my honourable friend has said.

We have increased support in our child care system so people can enter the workforce. We have increased support through our child care system to children to work with parents and their children. We are increasing the number of public health nurses that are

going to work through our regional health authorities on our BabyFirst initiatives. So, Madam Speaker, he is dead wrong when he says there have been cuts to children and families in Manitoba.

Manitoba Nurses' Union Report Minister's Position

Mr. Kevin Lamoureux (Inkster): Madam Speaker, my question is for the Minister of Health. In listening to his answer I was somewhat disappointed, when you have thousands of nurses, who are the backbone of our health care services and delivery, trying to express their concerns to the Minister of Health. My question is to the minister: specifically, does he give any validity to what the nurses in the province of Manitoba are in fact trying to say?

Hon. Darren Praznik (Minister of Health): Madam Speaker, if the member for Inkster had listened to my answer, he would have found that I had said there were many things in this report that one can learn from. Vera Chernecki, president of the Manitoba Nurses' Union, and I meet from time to time. She has raised with me some issues that we believe have to be explored. She does not have the accurate numbers either, and that is one of the things that we wanted to ascertain, is accurate numbers and move towards a correction of them and do that in a co-operative fashion.

In the facilities that I have toured and my observations of the system in being Health minister for over a year and a half, I can pretty much identify many of the areas of pressure that they have outlined. The kinds of things we need to do to relieve that pressure, the tools to do that are currently underway. The regional health authorities give us a much better ability to make those changes and do the things that Vera Chernecki and the Manitoba Nurses' Union—some of the things that they are asking for.

So, yes, we are listening very closely.

Nursing Profession Role

Mr. Kevin Lamoureux (Inkster): Madam Speaker, can the Minister of Health then indicate what is he

prepared to do in a tangible way in order to reach out to what the nurses are in fact saying? Is the minister prepared then to—for example, in education, they had parental conferences in the previous administration. Is the Minister of Health prepared to bring to the table in a significant way our nurses in order to ensure that we are hearing first-hand what needs to be happening in health care?

Hon. Darren Praznik (Minister of Health): Madam Speaker, despite the fact that the Leader of the Opposition (Mr. Doer) continues to support the old system of 180 different boards delivering health care, we have moved on regionalization. I can tell the member that in the case of Winnipeg, the 13 program teams that are dealing with issues in specific program areas—as part of the management of that team, there is a nurse appointed to that management team, along with a physician, an allied health-worker representative and a manager.

So nurses now in a very real way are very much involved in the re-engineering of the health care system, and I am proud of that fact.

Mr. Lamoureux: Madam Speaker, the question to the Minister of Health was—obviously it is very clear that the nurses want to be able to participate in a significant way. The question specific to the minister is: is the minister prepared to provide a vehicle in which those nurses are going to be able to give more direct advice to the minister through some form of a council, open forum, much like they had for the teachers and parents?

Mr. Praznik: Madam Speaker, I am a little confused as to whether the member for Inkster is proposing we get on with solving problems or we enter into another round of talking about problems. Many of the issues that are outlined in this document, many of the issues around how we better organize care to deliver it in a more patient-friendly manner and more effectively to our patients are presently being done by our program teams, and nurses are represented on those program teams by having a nurse on every one of those 13 program teams in the re-engineering of those programs. There is no better way to be involved.

If the member for Inkster is suggesting that the Manitoba Nurses' Union be formally represented in

management decisions, let us separate function. The Manitoba Nurses' Union is the bargaining agent for nurses. Their responsibility is to represent the issues of employment to nurses. Nurses within the system are involved in the management and in the decisions around the re-engineering of those programs. So, yes, nurses are very well represented in the decisions today.

Access Program Impact of Funding Reduction

Ms. Jean Friesen (Wolseley): Madam Speaker, according to a recent report on Manitoba's educational statistics, aboriginal people aged 20 to 29 were less likely to graduate from post-secondary institutions than aboriginal people in general. If this is the case, it is truly a backwards step, and what we are looking at is the case of a lost generation. I would like to ask the Minister of Education to tell the House: what has been the impact of the deep cuts, almost 50 percent cuts, to Access imposed by her government in creating that missing generation?

Hon. Linda McIntosh (Minister of Education and Training): I share with the member a concern for seeing that our aboriginal population is able to grow and achieve and succeed in the world which they enter as adults.

Madam Speaker, I have to clarify of course what the member I believe knows, is that Access funding reductions were sparked by the withdrawal of some \$4.5 million from the federal government back in the early '90s. But she has asked specifically what the results are, and I am pleased to provide her with the results because she knows we have, on top of the Canada Student Loans, provided for students in need unlimited funds in nonrepayable bursaries to allow students who are disadvantaged to succeed. When we came into office in '88-89, they were, in the intake, taking in about 265 students; we are now taking in over 300. They were graduating around 110; we are now graduating regularly 115. So the intake and the graduation has continued to grow through the years. We are pleased about that because that is what it is all about in the final analysis.

* (1410)

Ms. Friesen: Could the minister tell us then what the impact on aboriginal education and indeed Manitoba's future will be of the inability of First Nations now to fund Access students? In fact, in this coming year, as indicated in letters now going out from the Opaskwayak Cree Nation, they are telling their young people they cannot fund them for this year, but they are taking applications for '99. That is the future for aboriginal people in Manitoba. Where is the government on this?

Mrs. McIntosh: Maybe the member did not hear me in my first answer when I said that we do have approximately 23 percent of our Access students receive nonrepayable provincial bursaries on top of the other monies they receive through Canada Student Loans, et cetera. I recall last year we had the debate as to whether or not students were receiving up to \$26,000 per year on top of their other money, and I was able to show the member indeed that was correct.

We fully support bringing the aboriginal students up to the levels that would make them fully successful in our society. We keep doing that with a number of initiatives, not just through Access, although I have to say that 93 percent of the graduates from our Access programs are successfully employed. We also have other initiatives such as Partners For Careers, and my colleague the Minister of Native Affairs (Mr. Newman) has been very actively involved through the urban aboriginal strategy in things such as Partners For Careers, which sees an astounding number of some 300 aboriginal graduates successfully employed in industry.

Air Canada Call Centre Hiring Policy—Aboriginals

Ms. Becky Barrett (Wellington): Madam Speaker, on March 14 when the Premier (Mr. Filmon), the Minister of Industry, Trade and Tourism (Mr. Downey), the CEO of Air Canada and the mayor announced a \$2-million tax credit for a new Air Canada customer service call centre in Winnipeg, the Premier stated, and I quote: many in the aboriginal population will have jobs.

The Air Canada CEO pledged to, quote, recruit as many aboriginals as we possibly can.

What is there in black and white to assure us that urban aboriginal hiring will be more than just another

empty promise as we have seen from this government over the last 10 years?

Hon. Gary Filmon (Premier): Madam Speaker, I thank the member for Wellington for making a note of the fact that in the recruitment of yet another job creation initiative for Manitoba, we were successful in competition with many other provinces in Canada in getting Air Canada to come here. Through that all, it involved a number of very positive initiatives for Winnipeg, the assurance that there will be about another 500 jobs in downtown Winnipeg, the restoration of a heritage building that will ensure that we preserve one of Winnipeg's oldest buildings in that core area of Winnipeg, and also an agreement by the investor, that is Air Canada, that they will do everything in their power to employ aboriginal people within that environment. Those are all positive things which I think we should all be very pleased about and be very supportive of. I fail to see what problem the member for Wellington has with that issue.

Ms. Barrett: Madam Speaker, since the Premier himself stated in January that Winnipeg's having the highest population of aboriginal people of any city in Canada is, and I quote, a very significant challenge for us collectively and must be addressed as a priority, end quote, I would like to ask the Premier and maybe this will clarify it for him: what specific indicators have been put in place between the government and Air Canada so that we as a population, as citizens, and most particularly so that the aboriginal community in the city of Winnipeg can have a sense of degree of accountability for a change from this government as to when and how many aboriginals will be hired at the call centre?

Mr. Filmon: I know it must be simple, because you are the one asking the question but—

Some Honourable Members: Oh, oh.

Madam Speaker: Order, please.

Mr. Filmon: Madam Speaker, what I think the member fails to understand is that by setting up all sorts of empty targets, as she and her colleagues used to do when they were in opposition, nothing gets done. I would say to her that every single person that we are

able to employ from the aboriginal community in these areas, in all areas of employment, is a positive move forward. That is why, as part of our call centre initiative, as part of our industrial recruitment initiative, we are working with companies to get them to make commitments to hire and to employ aboriginal people. That is why we did it with the call centre for the Royal Bank. In fact, there were people from the employment community there; there were people from the aboriginal training community there. A former member of this Legislature from the New Democratic Party was part of that process for training those aboriginals for it.

Madam Speaker, if we employ 50, if we employ 100, if we employ any number, it is a positive step forward. That is what this government is committed to, and that is why it is happening, instead of getting the empty rhetoric of the member for Wellington.

Agriculture Industry Safety Net Programs

Ms. Rosann Wowchuk (Swan River): Madam Speaker, Statistics Canada figures show us that Manitoba grain and cattle farmers have the lowest income in the country. This is particularly disturbing since these farmers constitute roughly three-quarters of the farmers in Manitoba. This is a very serious situation and one that I am afraid is going to get worse. I would like to ask the Minister of Agriculture what steps he is taking to ensure that we have proper safety net programs and other supports to help, and what steps he has taken to urge the federal government to ensure that we have proper programs in place to help grain and cattle farmers through these very difficult times.

Hon. Harry Enns (Minister of Agriculture): Madam Speaker, allow me simply to make this observation in response to the honourable member and remind her that it was a Liberal government in Ottawa that took away the support program with respect to the movement of grain out of this region. It is a Liberal government that still impedes the ability of some of our farmers to access the most available market, namely the United States. Regrettably, it is former Liberal members of this House who are attempting to stop and impede the very resolution to some of this problem, namely, diversification into livestock, and I refer particularly to

one Harold Taylor who has made a living out of doing this in different parts of rural Manitoba.

That is precisely why, Madam Speaker, we in Manitoba have to divert into the value-added aspects of agriculture. That is why it was so encouraging to be in the city of Brandon this morning and see the beginning of a \$112-million industry started there that will process hogs, provide jobs for Manitobans, provide an outlet for grain and for hog farmers in Manitoba.

Madam Speaker: Time for Oral Questions has expired.

MEMBERS' STATEMENTS

Hog Industry

Mr. Mervin Tweed (Turtle Mountain): Madam Speaker, Manitoba's pork industry continues to grow at a phenomenal rate. Our province is leading all Canadian provinces in hog exports, and in 1997 Manitoba pork and pork by-products increased 97 percent over 1996. For the first time, pork exports have surpassed the \$100-million mark, reaching \$153.5 million in '97. These tremendous numbers are the result of an aggressive industry that has worked in co-operation with our province to market the Manitoba Pork Advantage.

This morning a ground-breaking ceremony occurred in the city of Brandon, a ground-breaking ceremony that marks the beginning of a \$112-million state-of-the-art pork processing plant, a project that will create thousands of high-paying jobs and make our province the pork production centre of Canada. Our government is committed to working with the agricultural industry to facilitate future diversification opportunities, and continued co-operation between government, industry and local stakeholders pay benefits to all Manitobans.

My congratulations go out today to Maple Leaf and the city of Brandon. This partnership has already resulted in approximately \$2.5-million worth of land being sold by the city of Brandon, and I am confident that this economic growth is but the tip of the iceberg.

I do hope that the member for Brandon East (Mr. Leonard Evans) continues to enjoy his window view of

the new plant. As he watches the plant go up and sees thousands of Manitobans heading to work, I hope he reflects on the strong economic policies that this government has implemented to help make it happen.

* (1420)

Bank Mergers

Mr. Conrad Santos (Broadway): Madam Speaker, last Friday Canadians awoke to find that another bank merger had been announced between the Canadian Imperial Bank of Commerce and the Toronto Dominion Bank. Added to the proposed Royal Bank and Bank of Montreal merger, this means that 70 percent of the banking business will be controlled by just two banks in Canada.

While the stated goal of business, including commercial banks, is to promote competition, their actions are geared to wiping out competition. This projected bank merger—the banks hope to cut overall costs by 10 percent. They cut costs by laying off people who work for the banks, by decreasing bank services and by closing branches of banks, particularly in the inner city area and in the local towns like Lynn Lake. This is happening, despite the fact that the bank profits have been increasing and soaring. Last year alone there was almost over \$7 billion total overall bank profits among the few banks that we have in Canada.

For Canadians, they feel that they have been gouged by these high service fees the banks are charging everywhere. They simply have less choices now, the consumers, the Canadians as consumers. When will the federal government act to protect consumers from this gouging and lack of competition. The proposed bank mergers would only make matters worse. There is no evidence that the federal government is willing to do anything about it, given that the banks have contributed too much money in the political coffers of both parties in the federal government. The NDP urges the federal government to act now. Thank you.

The Void Youth Drop-In Centre

Mr. Gerry McAlpine (Sturgeon Creek): This past weekend, my wife Jeanie and I chaperoned an event at

The Void. The Void offers young people in the constituency of Sturgeon Creek a safe place to spend their leisure time. The event attracted over 120 students from the middle and senior schools in the St. James-Assiniboia School Division, and there were also students at this event from Tec Voc, Gordon Bell, St. John's, and General Byng in Fort Garry. Students and staff of the St. James-Assiniboia Focus on Youth deserve congratulations for their hard work and commitment running a youth drop-in centre in our community since 1987, Madam Speaker.

The Void, located at 1970 Ness Avenue, has a gymnasium for physical recreation activities and a lounge area for crafts and conversation. Having such a drop-in centre provides our youth with an opportunity to develop their leadership skills through volunteer activities. The goal of all of those involved with the drop-in centre is to help the youth of today become the productive adults of tomorrow.

With the help of the program co-ordinator, Sarah McLachlan and The Void's volunteer committee, including Cory Narharnie, Glenn Cook, Tanya Lautermilch, Matt Miller, Daina Leitold, and Trevor Hyshrrall, the centre has been able to host events for groups as large as 200 students. I am not aware of any other facility which boasts free admission that operates this extensively for young people on a year-round basis. I would like to congratulate our own Sarah McLachlan and all the volunteers, including the ones referenced, that make The Void such an inviting place for young people to spend their time. Thank you, Madam Speaker.

Misericordia Hospital—Breast Care Services

Mr. Gerard Jennissen (Flin Flon): The plans by the provincial government to gut Misericordia Hospital has saddened residents far beyond the city of Winnipeg. On March 27, a resident of Leaf Rapids, Mrs. Nettie Dearborn wrote to me stating that, as a patient of the breast care clinic at Misericordia, she disagrees with the government plans and strongly urges the government to drop plans to spread the service among several hospitals. She calls the plans ridiculous, and says the current service is helpful, professional and comforting. Rural Manitobans, like her, pay the \$969 cost of having to get to Winnipeg from Leaf Rapids only to be

shuffled around from institution to institution. She says the changes to the health system have been a joke. The clinic in Misericordia Hospital is perfect for many unfortunate cancer patients, so please do not try to fix something that is not broken, she says.

Earlier this month, in Leaf Rapids, I met many men and women concerned with what the impending changes for Misericordia would mean for the future breast services in this province. Over 40 residents of Leaf Rapids signed a petition opposing the government plans. Leaf Rapids residents, like Manitobans elsewhere, want their breast care program kept at one hospital—the Misericordia. The province should listen to the public and keep the breast program operating as is.

In this regard, a recent letter to the editor by J.R.M. Smith, the president of the medical staff at Misericordia Hospital, stated that, considering the debacle in pediatric-cardiac surgery, the horrendous system-wide inpatient bed shortages, which delay surgeries at other hospitals, and the congestion and chaos in emergency rooms, to deny patients access to the operating room services at the Misericordia is illogical at best.

Potato Producers

Mr. Denis Rocan (Gladstone): Manitoba's potato producers are very close to achieving an important milestone that they have set for themselves. They are on their way to overtaking Prince Edward Island as Canada's potato-producing capital. Statistics Canada has released information which reveals that Manitoba's potato producers' income is \$83,290, and including all farm sources of income, it reaches an average of \$126,122 per potato producer. Our potato producers do so well because our potato farms are bigger here than in P.E.I. Although P.E.I. has nearly two times as many acres of spuds as Manitoba, officials note that if another potato-processing plant would open here, our total acreage of potatoes could surpass P.E.I. As a result, the price of potato-farming land is skyrocketing to approximately \$2,000 per acre. As Reg Curle of Manitoba Agriculture stated, and I quote: We do not take a back seat to anybody in terms of potato farming.

I am very pleased to be able to bring this news to the floor of the House, and I would like to take the

opportunity to congratulate all potato producers and processors on the success of their industry. This goes to show that Manitoba producers are adapting very well to the post-Crow era. Successful processing plants such as Midwest Foods in Carberry and McCain's in Portage la Prairie provide potato producers with an excellent market for their crops; moreover, they employ a vast number of Manitobans in our growing agri-food industry. I would like to wish all potato producers the best as they begin a new farming season. Perhaps this season will see Carberry become Canada's potato-producing capital. Thank you.

ORDERS OF THE DAY

Hon. James McCrae (Government House Leader): Madam Speaker, I move, seconded by the honourable Minister of Industry, Trade and Tourism (Mr. Downey), that Madam Speaker do now leave the Chair and the House resolve itself into a committee to consider of the Supply to be granted to Her Majesty.

* (1430)

Motion agreed to.

COMMITTEE OF SUPPLY (Concurrent Sections)

ENERGY AND MINES

Mr. Chairperson (Gerry McAlpine): Order, please. Would the Committee of Supply please come to order. This afternoon, this section of the Committee of Supply meeting in Room 254 will resume the consideration of the Estimates of the Department of Energy and Mines. When the committee last sat, the honourable Minister of Energy and Mines had 20 minutes to complete his opening remarks. Does the minister wish to continue with his statement?

* (1440)

Hon. David Newman (Minister of Energy and Mines): Mr. Chair, yes, I actually got stopped in midsentence, so I will begin with the sentence that I ended off with on April 16, 1998.

As a result of 17 workshops attended by 247 people in the flood-damaged area and fielding of some 500

technical inquiries, our housing scientists have come to be widely regarded as the premiere source of impartial information on proper cleanup and reconstruction techniques. The key part of our message was: take advantage of the need to rebuild to improve the energy efficiency of your home. The department is hosting a series of new home and energy saver workshops across the province. Attendance at these workshops has more than doubled over the last year. Workshop evaluations continue to be highly positive and complimentary.

The branch has also been involved in representing Manitoba negotiations relating to finalization of the energy chapter of the agreement on internal trade. In addition, as a result of the efforts of the branch, Manitoba has taken a lead role in raising reliability issues as the North American electrical industry continues to deregulate. We hosted a workshop attended by representatives of the electrical industry, provincial and federal jurisdictions, and represented the provinces in discussions with the U.S. Department of Energy.

This year, two new positions have been approved for the Energy section. They will restore our capability to develop policy options and provide input into Manitoba's response to the issue of climate change. Specific plans in this area are to update our inventory of greenhouse gas emissions and develop a comprehensive proposal to increase the use of ethanol in Manitoba. This latter objective was scheduled for last year but had to be delayed because of the efforts directed to flood recovery. We have initiated discussions with the government Fleet Vehicles Agency to identify candidates for alternatively fuelled vehicles. We hope to involve the federal government in this initiative in areas where there is a significant number of provincial and federal vehicles.

The department is providing advice and promotional assistance in the West Broadway renewal project. This exciting initiative involves renovating existing homes and constructing new energy-efficient homes in this area of Winnipeg. The program also offers vocational training and uses products and services of businesses in the area. The branch is providing expertise to the Sustainable Development Committee of Cabinet regarding the technical soundness of projects requesting funding assistance from the Sustainable Development

Innovations Fund. One of the most innovative projects respecting energy efficiency has been the eco-village project proposed at The Forks in Winnipeg. The Energy and Mines contribution to the project has been to provide information and technical review for both the proponents and Manitoba Environment, which are administering the project on behalf of the fund. The project is still under development with a final recommendation awaiting a marketability assessment.

Mr. Chair, this concludes my introductory remarks. I want to take this opportunity to express my appreciation to the employees of Energy and Mines for their hard work, conscientious work and commitment to providing quality services to our customers and Manitobans. To the official opposition critic, I look forward to a dialogue during this period of Estimates that will serve to further enlighten the people of Manitoba. Thank you.

* (1450)

Mr. Chairperson: I thank the honourable minister for those comments. Does the official opposition critic, the honourable member for St. James have an opening statement?

Ms. MaryAnn Mihychuk (St. James): Yes, thank you, Mr. Chairman. My comments will be brief and directed to some of the areas of inquiry that I will be making. As I have said over and over again, there is a recognition on the opposition side and by myself of the significance of mining in Manitoba and the importance of it as a resource to Manitobans in general, as a source of taxation for the government in particular, providing work, employment for many northerners and in mining communities.

Manitoba is endowed with a wide range of mineral resources, base metals, precious metals, industrial minerals, as well as aggregate materials. One of the areas that I am going to be exploring is what plans the government has to diversify its programs in terms of perhaps looking at a broader utilization or emphasis on the development of our resources. This is particularly acute, in my opinion, in the area of aggregate materials which is now being used obviously to maintain a road system which is being used, by far, a great deal more because of the changes to the rail policy, the Crow rate.

The whole agricultural sector is now moving from one that was rail into using the road base. Many municipalities are in a desperate situation and in fact do not have materials to provide for the maintenance of those roads.

In a broader sense, the mining commodities are undergoing a downturn, which is a natural part of the cycle, and as we went through the good years and we saw prices up, I always caution the government to recognize that a lot of its success was related to international factors, and healthy mining returns means a healthy mining community, but I do believe that there is a responsibility for government to help get through the downturns, to help those mining communities at times where we see dramatic shutdowns.

Our government used various resources. We had created the Manitoba Mineral Resources that was unfortunately sold for approximately \$30 million. This was a Crown corporation that actively pursued the development of mines and mineral resources, and it had success stories and was available to be an active partner. There is also the Mining Reserve Fund which was established many years ago before the New Democrats were in power—I believe it was a Tory administration that had first established it, but I could be wrong—whose purpose at that time was to help those communities that were facing potential disaster because of a mining closure. That fund is now being proposed to be used or has been used for the past year or so to fund the exploration program, a decision I strongly oppose. This is legislation that is coming before the House, and we will have an opportunity to debate that. The other portion of that bill includes the increasing of the Mining Reserve Fund from the level it has been for many, many years to I believe it is \$20 million.

An Honourable Member: Ten.

Ms. Mihychuk: Ten million. That is a positive. That is long overdue, and I would probably argue that maybe we should look at a higher ceiling than 10 million but that is very important, and that it needs to be there. It needs to be used for a more immediate reserve fund than I would suggest the MEAP programs. Exploration is fundamental and required in Manitoba. I think that, unless you are extremely lucky and trip over a significant deposit, the development of a mineral

deposit into something that is into production takes a considerable length of time.

I will actually be asking the ministry as to what the average sort of development period is, but if we looked at the Cross Lake deposit, for example, back in the '80s, we knew of its existence and were already mapping and defining it with considerable detail. Here we are at the end of the '90s and we still have a ways to go before that mine opens, so looking at 10 years down the road I do not think is being unrealistic for the amount of time that it takes to develop a mine. So to use the Mining Reserve Fund for MEAP, I would say is a long-term investment.

Many of our exploration programs do not end up discovering an economic mineral resource, do provide important information however and is important to our economy, but I would suggest that the Mining Reserve Fund be used for the workers and the communities that are being impacted by pending mining closure or the closure itself of a mine as it was originally designated.

In addition, we have expressed our disappointment with the government's budget, that this year there were a couple of items identified but overall the North was basically ignored in terms of the budget. The Highways budget, I understand, with some movement from one hand to the other is the same as last year, the concentration of that money being focused in the south. That is extremely unfortunate given the dire shape of the roads in the North.

As well, airports, for example, there was a recent announcement by this government to enhance the airports. Those airports, all southern in that announcement are being enhanced. No money for northern airport improvements. More and more studies are being conducted while there are not the supports to actually do the work. We know that the North also faces serious problems with supplying the professionals they need, particularly in the areas of health and education. You can read the newspapers on a regular basis as the North searches for teachers and other professionals, as well as doctors.

One of the programs that the government has been very quick to identify as providing support to young children is the early literacy program, something that is

particularly needed in the North. I know that the minister has had the opportunity to visit, but there are many communities up north where early education is not available. There is not access to a whole lot of nursery programs and preschool programs. The library facilities are inadequate.

Point of Order

Mr. Newman: On a point of order, Mr. Chair, I just want to clarify and make sure that I am in the right Estimates. Is this Energy and Mines, or is it Highways and Transportation and Health and Education? The difficulty that I have, if I am in the wrong meeting and those are the topics under discussion, it would be more appropriate to have Minister Findlay here and Minister Mitchelson and Minister McIntosh and Minister Praznik. Maybe I could just have that clarification.

Mr. Chairperson: The honourable member for St. James, on the same point of order.

Ms. Mihychuk: On the same point of order, I am shocked at the minister. He, of all people, should know that that type of infrastructure and supports is not only important to the people of the North but in particular to the mining associations and the mining communities, many of them who have directly approached us expressing infrastructure as a major criterion for investment in the North and a major factor of having a healthy mining community.

So, Mr. Chairman, this may seem somewhat peripheral, but I would like to suggest that it is absolutely essential and that investing in infrastructure in the North is a serious component of providing a strong mining community.

Mr. Newman: On the same point of order, I gather that I am—

Mr. Chairperson: Order, please. I would just like to advise all honourable members we are here to address the Estimates of the Department of Energy and Mines, and any reference beyond that I would have to rule that the discussion would be out of order. I would caution all members that they should try to stay relevant with regard to the Estimates that we are dealing with here, and I would make that caution and hope that I would

get the co-operation of the committee with regard to this.

* * *

Mr. Chairperson: The honourable member for St. James, to continue with your remarks.

* (1500)

Ms. Mihychuk: Many of the supports and the infrastructure for the North is essential for a healthy mining community. It is unfortunate that the minister, who is also responsible for Northern Affairs—and in fact it is my understanding that the deputy minister is shared between Northern Affairs and Mining—clearly the government recognizes the interrelatedness between Northern Affairs and Mining.

Mr. Chairperson: Order, please. I would just caution the member that we are talking about Energy and Mines. We are not talking about Northern Affairs. Although there is some overlap with regard to the minister, we are talking about the Estimates of Energy and Mines. I would ask the member to direct her comments and questions to that department, please.

Ms. Mihychuk: Mr. Chairman, I am directing my comments to the mining industry and the North. I will continue on my comments, and I think that we will indeed be exploring the interrelationship between Northern Affairs and Mining, and that is an important factor, a policy decision by this government, and to separate them here in this committee seems out of sync with what actually the Premier (Mr. Filmon) and the government have done in terms of combining the minister's responsibilities and the deputy minister's. So I will be going into that relationship in greater detail when we have an opportunity to talk about the new deputy minister as well.

Mr. Newman: Just on the same point of order, if I may offer a solution. You can certainly participate, the honourable member for St. James (Ms. Mihychuk), in the Northern Affairs Estimates and can put questions. The difficulty is the staff here are not, as part of their job description, equipped to deal with the kinds of questions that could arise out of the kinds of issues that you are raising. I have no dispute that infrastructure is important, a social and economic infrastructure is

important to mining success and development, but it is simply not designed, the process and the people here are not prepared, by job description mandated to address the kinds of issues you are raising.

I do invite you to attend the Northern Affairs Estimates, which have not yet been held, to raise issues that do affect my other portfolio.

Mr. Chairperson: Just for the information of the committee, Northern Affairs will be coming up in the Estimates sequence in the Chamber after Rural Development and Education and Training.

The honourable member for St. James, to continue with your statement.

Ms. Mihychuk: On that point of order.

Mr. Chairperson: On the same point of order.

Ms. Mihychuk: Mr. Chairman, I just want to assure you that I am fully familiar with the Estimates order and that I know what is relevant for this committee and what is not. In my opening statements, I had assumed—as has been the practice in the past—a certain latitude, as these are general comments in an opening statement which are, I believe, related. So my questions for staff will be relevant to Energy and Mines. I am quite aware of that.

Mr. Chairperson: Okay. Just for the benefit of the committee, I guess I will just make this comment that as far as the questioning, we will be dealing with the questions of Energy and Mines, and in terms of the relevance, the Chair will reserve the right as to whether or not there is relevance to this department. So I guess we could go on and on with this aspect. We will just leave it at that.

But I think that the member for St. James was in the process of making her statement and questioning the Chair, in terms of whether the decision to question, whether or not the member for St. James was relevant or not. I guess I am making an interpretation here. Maybe I am incorrect in doing that. But, if the member for St. James wishes to challenge the Chair on the decision that has been made, that is certainly the member's prerogative.

I am asking and have asked that the member for St. James continue with her statement to the committee so that we can get on with the Estimates.

Ms. Mihychuk: Well, Mr. Chairman, it is not my desire to be interrupted; I just have a brief statement. I will continue with my comments and wish to assure the minister that we will be looking at a broad range of issues, including land tenure issues, which are particularly relevant right now in the North and across Canada; in addition, the various needs as identified by industry, including a comprehensive, geological information base, the MEAP program; the Systemhouse desktop program, and the support services that that is providing to the department; the government's policies in providing meaningful opportunities for northerners, in particular First Nations people, to gain experience through the department in workplace opportunities, through summer assistance opportunities, working with mining on a training employment program, if there is such a thing.

Looking at other jurisdictions, some of them look way ahead of Manitoba in terms of providing the training and job opportunities for First Nations people in the mining sector. So I will be asking the minister for our vision and our plans to move ahead with these initiatives.

Looking at the overall focus of the department in a number of sectors, we have seen, basically, the department has been reduced from what it was in the '80s, and we have seen less and less staff so that providing that type of geological base is apparently more difficult than it was in the past, and be looking at perhaps some vision as to how we can provide that information.

Mr. Chairperson: We thank the honourable member for those comments. Under Manitoba practice, debate of the Minister's Salary is traditionally the last item considered for the Estimates of the department. Accordingly, we shall defer consideration of this item, and I will proceed with the consideration of the next line.

We will now proceed to—just a minute—before we do that, we would invite the minister's staff to join us at the

table, and we ask that the minister introduce his staff present.

* (1510)

Mr. Newman: Mr. Chair, I am very pleased to introduce the staff whom I am very proud of and particularly the people who have been promoted to new and more responsible positions. To my immediate left, of course, is Oliver Boulette, the deputy minister; to his left, Garry Barnes, who is now the assistant deputy minister; Craig Halwachs is director of Administrative Services in an acting capacity at this time; Jim Crone, director of Marketing; Bob Dubreuil, director of Petroleum and Energy; Art Ball, director of Mines; and Christine Kaszycki, director of Geological Services in an acting capacity at this time.

Mr. Chairperson: We thank the minister. We will now proceed to line 23.1. Administration and Finance (b) Executive Support (1) Salaries and Employee Benefits on page 47 of the Main Estimates book. Shall the item pass?

Ms. Mihychuk: I would like to welcome all the staff as well. It is a pleasure to meet the new people who have taken on those roles. I welcome back more seasoned staff and wish to ask for some background of our new Mines's deputy minister. Can the minister, for the record, indicate Mr. Boulette's mining experience in his background?

Mr. Newman: Mr. Boulette's background, prior to his appointment effective March 11, 1998, is a University of Manitoba graduate majoring in political studies; employed with the Department of Northern Affairs for the past 16 years, holding positions as co-ordinator, regional director and for the past 11 years as assistant deputy minister of the Local Government Development Division. He has a wealth of knowledge and experience with the First Nations in northern communities and is highly respected both within and outside the department for his leadership and management abilities. During a period when he was a student, he actually worked in mines, and his late father was an active miner for 26 years. So it would be accurate to say that he has grown up with mining around him in a known mining community as well.

Ms. Mihychuk: Can the minister indicate which community that was and what type of employment the deputy minister actually had?

Mr. Newman: The hometown I was referring to, the mining community, was Bissett, and the area that Mr. Boulette worked was at Red Lake, Ontario.

Ms. Mihychuk: What component of the deputy minister's time is spent on Energy and Mines?

Mr. Newman: My deputy advises that 50 percent of his time, roughly, is what is dedicated to Energy and Mines.

Ms. Mihychuk: Would the minister indicate in his portfolio how much of his time is spent on Energy and Mines compared to Northern Affairs?

Mr. Newman: I would say, overall, approximately the same. It is dependent on circumstances, but overall that is the goal that I have: to devote roughly 50 percent to each. But I put into the 50 percent component for Energy and Mines my responsibilities as Minister responsible for Hydro.

Ms. Mihychuk: For clarification, is the minister saying that the time that he spends on Energy and Mines is 50 percent of his workday?

Mr. Newman: No, definitely not, because it varies. You have to do it over a broader period of time, but, as I indicated, Energy and Mines, including being Minister responsible for Hydro and Minister responsible for CEDF, I regard as something I use every effort to devote half of the time that I have as minister to that.

Ms. Mihychuk: As was clear in my opening statements, I understand the relationship between Northern Affairs and Energy and Mines, and I do not wish to somehow suggest that there is not an important relationship. It would seem to me that there would be times, particularly dealing with the treaty land entitlement and northern flood, where the minister's time would naturally be focused on dealing with these important issues that impact on all three of his responsibilities, or four. What I am trying to, I guess, identify is that this is an extremely important area in its own right, that the mines sector is worth a billion

dollars to Manitoba's economy, and look for the minister's commitment to the mining industry in terms of senior staff and the amount of time.

So I am somewhat surprised at the minister's comments that he is spending 50 percent of the time. I would seriously question that.

Mr. Newman: Well, you are certainly entitled to question it. It is an answer that would be very difficult to ascertain, given there is such a blend of the responsibilities, as you began to say in your opening remarks. There is an integration of the necessary infrastructures, and my experience so far has done nothing but confirm the wisdom of having a minister responsible for all of the areas I am responsible for, because you can then have a far more holistic approach and you overcome the impediments between departments while at the same time recognizing your responsibilities to each, which sometimes involve one to take a position very cognizant of the implications to the mandate which you uphold. To illustrate, by that I mean, whereas mining benefits greatly from low hydroelectric rates, on the other hand, Hydro, of course, has to be prudent on behalf of all stakeholders in Manitoba who have an interest in the profitability of Manitoba Hydro and its success in development.

So everything has to be balanced, and that is the challenge of the departments that I represent: having a sense and understanding, a knowledge of where the balances are and how you can advance things for the benefit of Manitobans through each of these mandates, each of these responsibilities.

Ms. Mihychuk: Of the minister's Executive Support, there are five people. I would assume those people are here at the Legislature and provide support to the minister.

Mr. Newman: Yes.

Ms. Mihychuk: Of those five individuals identified, how many have direct experience in the mining sector and would be knowledgeable of Manitoba's mining industry?

Mr. Newman: Of the named people that I introduced you to, people that have a direct knowledge of mining

by education and through experience, Christine Kaszycki is chief geologist—[interjection]

Point of Order

Ms. Mihychuk: I believe the minister is talking about the departmental staff. I was referring to the people in his office.

Mr. Chairperson: It is not a point of order, just a clarification.

* * *

Mr. Newman: If you are talking about the staff positions, we are talking about the Executive Support Staff. On page 19 of the Estimates, the individuals there would be my special assistant responsible for Energy and Mines and Hydro matters, and that is Jodi Turner; my appointment secretary, Darlene Hoffman; correspondence secretary, Barb Robson; my deputy minister, Oliver Boulette; and his appointment secretary, Linda Gibson. The extent of mining experience of those individuals, in addition to myself, would be what we have described in relation to Deputy Minister Boulette.

*(1520)

Ms. Mihychuk: Am I to understand that the individual with the greatest amount of mining experience is the deputy minister?

Mr. Newman: Of those five people, that is correct.

Ms. Mihychuk: Can the minister indicate, is the full salary of the deputy minister supported by Energy and Mines?

Mr. Newman: Yes.

Ms. Mihychuk: Can the minister explain why the deputy minister, who shares his portfolio with Northern Affairs, his salary is coming out of Energy and Mines in total?

Mr. Newman: Because we have a split portfolio, with one minister responsible for both departments. That is what is regarded as an appropriate way to fund the deputy minister's position.

Ms. Mihychuk: Well, clearly, for the record, I have to object on behalf of fairness, I guess. It would seem quite unreasonable to have the full salary come out of one department. In fact, Mr. Boulette will be working with a number of sectors, including Hydro, Energy and Mines, and Northern Affairs. I respect his ability, and I understand that he is highly respected in the north, and the community, but the mining sector also deserves expertise, and the department, I think, should, in fairness, cover half of the deputy minister's position, as I see that the department covers half of the minister's salary. Even then, I would probably argue that we are getting the short end of the stick in Energy and Mines, but so be it.

I mean, Energy and Mines is a fairly small department; well run. We have got numerous Hydro issues, for example, that are also on your table, and on your plate. So it almost seems reasonable that they would chip in something for that type of administrative support. But, clearly, for the record, I believe that Energy and Mines deserves its own component, with expertise in mining and energy at the senior administrative levels and that the salary support be relative to the amount of time that the senior staff can spend on the department.

Mr. Newman: I will review the appropriateness of this, what appears to be a bookkeeping issue. You have heard the effort that is put in and shared, and which pocket it comes out to. I will examine whether or not that is relevant for more than just bookkeeping purposes. With respect to the expertise question, I obviously have been supportive of a conscious decision to bring people into these positions with the qualities they have, with the belief that they will empower the people with the expertise within the appropriate departments, branches, divisions, to carry out their responsibilities with a maximum amount of freedom and capacity in an environment which is conducive to their being of maximum effectiveness.

The other thing that I have an expectation and have encouraged, if not mandated, is a very co-operative involvement with the experts outside government and in industry, in all the different component parts of industry and the academic community and the professional community with a view to maximizing expertise for the benefit of Manitobans. So I do not see

there are any diminution. I see there is an enhancement in that kind of approach for the benefit of the mining community and Manitobans generally.

Ms. Mihychuk: Can the minister tell us how many staff members he has in total Northern Affairs and Energy and Mines as Executive Support here in the Legislature?

Mr. Newman: The Executive Support for Energy and Mines is a total of five.

Ms. Mihychuk: My question to the minister was: how many people work in his office as Minister responsible for Northern Affairs and Energy and Mines? How many support staff does he have under Executive Support? That would include the special assistants, the appointments secretaries, et cetera, who work for the minister.

Mr. Newman: Well, that will include all of the Executive Support staff for both Energy and Mines and Northern Affairs, because my staff and some of the deputy's staff all occupy one office, Room 314 in the Legislative Building, and the total is nine people.

Ms. Mihychuk: For clarification, there are nine individuals. That includes the deputy minister and various support staff. So there would be four full-time salaries that are paid for under Northern Affairs.

Mr. Newman: Yes, that is correct.

Ms. Mihychuk: Can the minister indicate of the support staff that he has whether their time spent is focused directly onto the department? Are the five individuals who are identified here under Energy and Mines focused totally on providing support to Energy and Mines?

Mr. Newman: The appointments secretary and the correspondence secretary and the deputy minister all have shared responsibilities for all of the responsibilities that I have as minister in the several portfolios and designated other responsibilities. Linda Gibson and Jodi Turner are in positions that are dedicated to Energy and Mines, and Jodi Turner in addition to Hydro and CEDF.

Ms. Mihychuk: So for clarification, there are three positions of the five that are shared under the two ministries, all responsibilities, including Hydro, that are paid for out of Energy and Mines.

Mr. Newman: That is correct.

* (1530)

Ms. Mihychuk: Well, the minister has indicated that he will review the staffing allocation and what would be appropriate. I would urge him to also look at the support staff that he has and suggest that, again, here we have the department, a fairly small department, providing the support for other departments and that perhaps there would be more room in Energy and Mines, that perhaps from a reallocation we could look to another geologist being hired, more support, that we provide some finances so that we could expand or extend the field season to provide that base information that the mining industry says is so needed and urge the minister to look in terms of fairness and support, that maybe some of this could be reallocated.

Mr. Newman: I think that would, with respect, diminish the holistic kind of approach. The last thing I want to be involved in, in my responsibilities in government, is silo thinking, and I believe that it is beneficial to everyone involved in mining and benefiting from mining to have the kinds of holistic approaches which I believe are characteristic of the ministries that I have responsibility for.

Ms. Mihychuk: Well, I seriously question the minister's statements and fairness because, obviously, this is a sector that is very significant to Manitoba's economy, very important to the government, very important to the workers and the aboriginal people in the North that are looking for leadership and diversification. It is an industry that deserves the province's attention, deserves senior support from the minister's office, and I would suggest that in terms of supporting the deputy minister's salary and the salaries of the appointment secretary, correspondence secretary, those things as well are coming out of one small department and providing supports to a variety of responsibilities that the minister has, which puts the onus on Energy and Mines.

It is clear that Energy and Mines also has needs and has seen reductions over the past 10 years, and there are certain areas of support that I have already identified. So I believe that I have nothing more to say about the minister's office. My position is on the record.

Mr. Chairperson: Item 23.1.(b) Executive Support (1) Salaries and Employee Benefits \$287,600—pass; 1.(b)(2) Other Expenditures \$75,500.

Ms. Mihychuk: Can the minister indicate the number of vacancies in the department? Would this be an appropriate place? It is sort of a general administrative question.

Mr. Newman: Nine.

Ms. Mihychuk: Can the minister indicate where those vacancies are in the department?

* (1540)

Mr. Newman: In the Administrative Services area there are two. The manager of financial services and the incumbent in that position, as I have noted, is presently acting as director of financial and administrative services. Accounts clerk is another one. In Marketing, a manager of information resources. In Petroleum and Energy, engineering aide, Virden; petroleum engineer and, as was indicated earlier, two new program and policy analysts. In Geological Services, the chief geologist, sedimentary and industrial minerals and, as noted earlier, the incumbent is presently the acting branch director. Industrial minerals geologist is the ninth vacancy.

Ms. Mihychuk: Is it the intention of the minister to fill all these nine positions?

Mr. Newman: Yes.

Ms. Mihychuk: Are there any secondments or individuals on workers compensation in the department?

Mr. Newman: There are two secondments out of the department, one to Service First and the other one to Better Methods.

Ms. Mihychuk: Can the minister tell us for the record what these two programs involve?

Mr. Newman: The first one, Service First, is working with the organization and development of a major conference, organizing a national conference which will be in Manitoba for the kinds of initiatives that are related to our Service First Initiative. The background of the individual who is in that function, I know, has been the primary person designated to lead our Mining and Minerals Convention over the past few years. The Better Methods secondment is in relation to the redesign of our accounting systems within the government.

Ms. Mihychuk: I did not really, I do not think, get an answer to the first question, what is Service First? I now understand that the individual who has been released is preparing or working on the national conference but the program does—what is the purpose of this program Service First?

Mr. Newman: I do not know whether my staff could give all of the details on that, but, certainly, that is an initiative—[interjection] The Service First program, which is really directed out of the Premier's Office through Deputy Minister Don Leitch involves regulatory reform, balanced budget, Manitoba measures and Better Methods. That is the best summary at this point that my staff could provide you with.

Ms. Mihychuk: The individual who has been seconded to help in the preparation of this conference will be gone from the department for how long?

Mr. Newman: Until December of 1999. I might say I just bumped into her today, and she keeps saying that she misses the department, but she really feels that she is learning lots.

Ms. Mihychuk: The other individual who has been seconded to Better Methods, I would assume is coming out of the administrative section? Where is the individual coming out of, and how long will they be absent from the department?

Mr. Newman: The position comes out of the Mines Branch. It is an accounting clerk position, and the secondment ends in June of 1999.

Ms. Mihychuk: The positions that these two individuals have left in the department leave holes, as you are well aware. The department hosted a very successful mining conference that I believe occurs in November. In the Mines department, the accounts clerk also has a fairly hefty responsibility. How is the department going to manage without those two individuals?

Mr. Newman: Both positions have been filled, and the funding of those positions is through the auspices of Service First. As I indicated from the anecdotal conversation I had at noon today just by chance, this is seen not only by the individuals but by the Service First Initiatives leaders and by our department as developmental opportunities. I might say that we think very highly of these people, and for them to not be present is going to be a long-term benefit to taxpayers and the department, and it gives other opportunities to others to work in those positions and reach another level of achievement. So we see this as a—I certainly see this as a win-win for all concerned.

Sometimes it is very healthy to open up these kinds of positions to challenge people that have been one step removed to being the leaders in those kinds of positions in the past. I would look forward to the Mining and Minerals Convention of November of 1998 to be as good or better than what we have had in the past, because the person in that position was a tremendous role model and leader by example.

Ms. Mihychuk: The two positions have now, I understand, been filled, their salaries being paid by the program Service First. Did the department have the availability to select their own candidates to fill these positions?

Mr. Newman: Yes, in both cases, it was an internal competition.

Ms. Mihychuk: Movement like this in the department does not occur very often. I am a strong proponent of affirmative action in providing opportunities for First Nations women to get experience, perhaps in positions where they did not. I understand that both of these positions were probably filled by women, so in this case I am not going to argue that we needed to fill with women, but perhaps it might be an opportunity to bring

in some aboriginal people or other targets that we have as a department. Was there that opportunity in these two cases?

Mr. Newman: We feel very strongly an obligation as a government, and it has been certainly transmitted to my area of responsibility for Energy and Mines, to observe very conscientiously the need to give appropriate opportunities for employment to aboriginal people, females, disabled people, visible minorities. In both instances, a female replaced a convention coordinator while she seconded, and a disabled person replaced the accounting clerk.

Ms. Mihychuk: The line item that we are on includes Transportation, Communities, Supplies and Services, and Other Operating. I noticed in the Estimates for the department that in virtually every department there is a note indicating the department is in the process of implementing the government-wide desktop management system. Is that also taking effect here in the Legislature for the minister?

* (1550)

Mr. Newman: The note that you are referring to is on page 21, and its content does not affect the expenditure items that we are talking about on page 19.

Ms. Mihychuk: Can the minister, in a general sense, tell us or explain the allocations on page 21 and then further on pages 25, 27 and so on? There are a number of expenditures related to the desktop management strategy. What is the impact of this program on the Department of Energy and Mines? It goes all the way through.

Mr. Newman: In October of 1997, the Manitoba government signed a contract with SHL Systemhouse to provide services to all government departments related to desktop management. Desktop management encompasses all tasks associated with buying, installing, configuring, maintaining and using personal computer hardware and software. It also includes training support, selected software programs, telephone support and desk-side support. The support services are specifically designed to help employees resolve issues quickly, regardless of whether the problem is software or hardware related. The desktop

management contract also provides for maintenance and support of all personal computer networks and associated printers.

The specifics of the impacts on the Department of Energy and Mines are the changeover of 150 units, broken down as follows: seven units by June 30, 1998, in Waskada and Virden; 14 units between July 1 and September 30, The Pas, Flin Flon, Thompson; and 129 units between January 1 and March 31, 1999, at the Ellice-Midland office. The total cost of that transition process is \$63,887, broken down: the seven units, \$15,077; the 14 units, \$21,257; and, 129 units, \$27,553 is the impact. The anticipated savings, in terms of operational charges, namely the wide area network charges, the savings anticipated is \$18,000, and the salary savings are estimated at \$34,700.

Ms. Mihychuk: I am very interested in the overall contract and how it will serve the department. Technology is very important to Energy and Mines. There are a number of sectors that, of course, have to be computerized with the moving in terms of single-desk access, getting other land information on-line. This has been an ongoing project. The department historically has had a support staff that included specialized computer programmers and technical support. Are those individuals still with the department?

Mr. Newman: Yes.

Ms. Mihychuk: How many computer support people does the department employ?

Mr. Newman: Three.

Ms. Mihychuk: Do those three individuals provide all the computer supports for the whole department?

Mr. Newman: The specialized needs of the department, design and implementation, are handled by those three people.

Ms. Mihychuk: Is there contract work or servicing being provided at the present time by Systemhouse?

Mr. Newman: Not programming.

Ms. Mihychuk: Is there troubleshooting and that type of support from Systemhouse?

Mr. Newman: Yes, with respect to desktop computers.

Ms. Mihychuk: For more clarification, in terms of the Systemhouse contract, it is my understanding that there are three departments that are the pilots this year for the Systemhouse desktop initiative; that is Labour, Culture and Government Services. Can I ask why this department is already moving into the Systemhouse contract? Is that a voluntary decision on the basis of the department?

Mr. Newman: The timing for the impact of the government-wide desktop management strategy in the Department of Energy and Mines is later than in many, maybe most, if not all, of the other departments, because this department is further advanced than other departments because of historic initiatives. As a result, it will not be till near the end, in March of 1999, that we would be brought fully onstream. The departments with greater needs that are further behind are being given priority.

Ms. Mihychuk: Why is the department contracting services from Systemhouse at this time?

Mr. Newman: It is a corporate decision of government.

Ms. Mihychuk: Are the three employees presently in the computer department expected to continue working after the Systemhouse desktop program is implemented in the department?

Mr. Newman: Yes.

Ms. Mihychuk: In the past, before contracting out was given to Systemhouse, how many computer support people were there in the department?

Mr. Newman: There was one additional position.

Ms. Mihychuk: Has the department lost any employees to Systemhouse?

Mr. Newman: Systemhouse has gained an employee, that particular employee, as a result of that.

Ms. Mihychuk: What is the cost of the service contracting out that the department is undertaking for this year?

* (1600)

Mr. Newman: I have given you the transition costs for this year of \$63,887. The total cost of implementing the program, gross, again, in other words, a comparable figure to the \$63,000 through 1999-2000 fiscal year as well, are \$385,176, which includes the \$63,887.

Ms. Mihychuk: The costs that the department is incurring in terms of troubleshooting and contracting services, I understand the minister to quote \$63,000. Would that be accurate?

Mr. Newman: That is correct.

Ms. Mihychuk: With the addition of one employee, was the department able to provide all the troubleshooting and supports necessary in the department?

Mr. Newman: I am advised, no, that one individual could not do what Systemhouse will be providing.

Ms. Mihychuk: The four individuals who were in the computer department in the past, has that been the regular number of employees, let us say, during the last five years?

Mr. Newman: I am advised that the regular component going back five years or more until a year or two ago was three, and the fourth position was added within the last two years.

Ms. Mihychuk: That fourth position presumably provided extra supports to the department in terms of computers and getting the department on line and more modernized.

Mr. Newman: That is an accurate assessment.

Ms. Mihychuk: During that time, did the department have to contract out to get servicing for troubleshooting?

Mr. Newman: No.

Ms. Mihychuk: Did the individual, that one position—well, let me put it another way. What was the salary of that position. for that computer-support person?

Mr. Newman: Mr. Chairperson, \$34,700, including benefits.

Ms. Mihychuk: So if I understand correctly, the department had in-house expertise for computer management. It takes awhile, I understand, for the computer programmers to become literate, as well, in terms of geological jargon, the needs of the department, and the technical aspect of the department as well as the computer knowledge which they already have.

That individual—we had four individuals in the department, and they were able to provide all the services. Now we have three people and we contract out for services. It seems to me that it was a cheaper deal in the past had we kept that individual for \$34,000, let us round it up, \$35,000. We were able to maintain and update and, as you say, be one of the most current departments in the government. Now we contract out, and for this year alone we are paying almost \$64,000 for services to provide troubleshooting, and that is from Systemhouse. Would the minister agree with that assessment?

* (1610)

Mr. Newman: I have been a beneficiary of a presentation by Systemhouse, so I have been able to see what they claim to offer, and the expectation is that the kind of, as I understand it, seven- day-a-week, 24-hour-a-day expert coverage which benefits from the high volume of experience with a uniform system will result in a higher and more available quality of service and also meet what could be a high volume of competing demands which one person was not and has not been able to service up to the standard which is envisaged under the new system.

Ms. Mihychuk: As I understand it, the service contract is for the provision of troubleshooting and other services for the systems that the department has in place presently. The future, I would expect, would include upgrades of the system, but for the present time it is the units that they already have. So is it not true that the

department was able to serve itself by having a component of four individuals for almost \$30,000 less annually?

Mr. Newman: I am advised from the people who work in the branch day in and day out that the demands under the current system were somewhat disruptive because you would want immediate attention, and any conscientious worker, and they all are, wants to have, you know, a quick response, advice, so that they can get productivity out of the system, so from time to time that involved going to the nearest geologist or someone else who had perhaps the troubleshooting kind of expertise to supplement what I said was an inadequate capacity of one individual to meet those needs. My staff here are advising that they see this as a superior solution to that experience.

Ms. Mihychuk: Is the department anticipating that the service contract or the cost of the service will increase next year?

Mr. David Faursehou, Acting Chairperson, in the Chair

Mr. Newman: I am advised that the cost per unit will remain constant, but because of the numbers, the aggregate cost will increase.

Ms. Mihychuk: Next year, I understand it, the department will not be fully under the new SHL program, or that you will be one of the last departments to enter it. So will there be one full year, another year, where the department will be accessing service contracts from Systemhouse but on an as-need basis rather than going into the whole program?

Mr. Newman: By April 1, 1999, we will be fully on the Systemhouse support for desktop.

Ms. Mihychuk: Is the department required to purchase the hardware? In an earlier question, the minister presented that there are 150 units that will be changing and that the amount added up to almost \$60,000, I believe. Is it part of the contract that the department has to upgrade its hardware on its own?

Mr. Newman: Of the four years remaining in the Systemhouse contract, if we are satisfied with what is

provided through that contract, that is included in our costs; but if we want to do more than that, we would have to fund that out of the department. After the four years, we do not know what the situation will be because we cannot look into a crystal ball and determine what will be in place after that.

Ms. Mihychuk: For continued clarification, the minister identified seven units to be replaced in 1998 for Waskada for a cost of, I believe, \$15,000. Is this part of the Systemhouse desktop management program?

Mr. Newman: I have indicated, I think, Waskada and Viriden for those seven units. That was the \$15,077, which was part of the \$63,887, and then the 14 units for The Pas, Flin Flon and Thompson, which was \$21,257.

Ms. Mihychuk: Can the minister explain why seven units are costing the department \$15,000, while at the Ellice office, 29 units are costing \$27,000? Are these capital costs for replacing the machines? I am still not clear as to what the contract actually requires of the department.

Mr. Newman: Maybe to help both of us and the public understand this, a per-unit cost is roughly \$2,660 for a year and that works out to \$221.66 per month. The timing for the transition with respect to the units is the factor which results in the figures, so the 129 units represents one month between January 1 and March 31, 1999, but it is only one month of costs, and the 14 units represents six months, and the seven units represents 10 months.

Ms. Mihychuk: Will the department be receiving new hardware as part of this program?

Mr. Newman: Yes.

* (1620)

Ms. Mihychuk: Those units are going to be acquired through a special operating agency, I understand, called Gismo. Would that be accurate?

Mr. Newman: I do not know. I like the name though.

Ms. Mihychuk: I wish to thank the department and the minister because this is an important issue, I think, for

Manitobans. We are moving into something that is of substantial cost to the government, we are looking at significant upgrades, so I wish to thank them for their patience as I try to figure out what the program is all about. I will be asking the government to provide the opposition with the opportunity for a briefing session through Systemhouse so that we do not torture every minister through this type of questioning, but it is important, it is significant. It is a major initiative that the government is undertaking, and if somehow the light turns off in my brain, I feel like I have an idea of what the program is, but I would ask the minister's indulgence, and perhaps there will be additional questions later on. I am just about done here.

I would like to just continue in terms of this first area we are in, Executive Support. Can the minister indicate to us whether he is expecting to do significant visits to mining companies, where he is going, how many companies he is planning to meet with in the upcoming year?

Mr. Newman: While I am waiting for my staff to provide an answer to that question, I just wanted to respond to it in a broader way to help you and the public understand how we have been going about interacting with mining companies.

I have very much an open-door policy to have, in effect, what I describe as my annual meetings with companies that contribute to the well-being of the province through taxes and jobs and otherwise, so those sorts of meetings will continue as normal. But what I have tried to do with the department is to accommodate people in the industry to the greatest extent possible, our belief being that they do the best work when they are concentrating on their mining businesses, and if we can efficiently utilize their time to the maximum, we take advantage of that. So, for example, the Mining and Minerals Convention, I dedicated last year all of my time, even lived in the hotel during the convention, because they in effect have come to Manitoba, they have come to Winnipeg and they want to access all the technical staff, they want to access me, they want to access the management people, and we virtually did that, except for sleep, around the clock. So that is a splendid opportunity.

* (1630)

Another example of what we do is we will go to them, and we went to the Prospectors and Developers Association conference in Toronto and hosted a breakfast meeting where I was able to interact, but staff were there and interacted throughout that conference. Again, they are aware, the people are, in the industry. The other thing that we have done is we have sought out, particularly, new players in Manitoba or ones that we are trying to induce to come to Manitoba. Staff do that on a regular basis. I personally am involved whenever it is seen to be that extra edge, the competitive advantage, and did that on several, I guess, three different excursions during my first year as a minister.

The other thing is I interact with the industry collectively through the mining association on a regular, communicative basis. Again, that is an efficient way for the industry to interact with me because they have staff who are paid to do that on behalf of the players. They do that on an executive director's—the full-time staff people have an open line. I have no hesitation speaking to them and meeting with them whenever they think it is appropriate. Another regular meeting is, for example, whenever they meet with the Finance minister or they meet with any other ministry, I am included in those meetings.

In addition to that, now that my staff have—the short answer to the specific question as to what my involvement will be in this fiscal year, that has not been finalized yet, but there will be a plan for visits whereby we will have a direct interaction with the industry. Those will include the PDAC meeting in Toronto. Again, they are working on a Northwest Mining Association conference in Spokane and the Cordilleran conference in Vancouver. It is anticipated that I will be making one-on-one visits in Vancouver and Toronto again this year.

Ms. Mihychuk: Can the minister indicate where he travelled last year—he indicated three trips that he made as special visits—and indicate the costs of those three trips? I am referring specifically to the Transportation line item, which has allocated \$30,000. So the minister took three trips last year. Can he indicate where and what was the cost of those three trips?

Mr. Newman: Going in reverse order of dates, I attended the Nunavut mining symposium in Cambridge

Bay, Northwest Territories, March 27-29. I attended the Prospectors and Developers Association meeting in Toronto, and I attended the October 9, 1997, in Calgary, and met with four mining companies. Sorry, there is a fourth one that I met with; I went to Vancouver September 25, 26, and met with about a dozen mining companies.

Ms. Mihychuk: Can the minister, for the record, indicate the allocation, the cost of those four trips as a budget item?

Mr. Newman: I will undertake to get that information for the next day we meet. My officials will have to put that together. I might say that to those conferences we had a team approach. I was with one of the customer service people, Gary Ostry, in Vancouver, and Gary Ostry in Calgary, and the Prospectors and Developers in Toronto. I went to that—hosted that breakfast meeting 7 a.m. Monday morning in Toronto and came back the same day to be in the Legislature, but staff were there throughout. Then the Nunavut mining symposium—I led a group of people, two people besides myself from the department, one person from Hydro, and another person from Department of Highways, on a multipurpose mission to Cambridge Bay in the Northwest Territories.

Ms. Mihychuk: Well, clearly we do not have a scandal. The minister did not go to London, it appears, or anywhere exotic like Hawaii. The minister has been travelling in mining communities, and I say that with some fun because I know that the minister is quite dedicated, and did not expect any type of elaborate trips. But there is an allocation in the budget of \$30,000. I wonder if the minister could indicate if we were over, under, or approximately at that level, whether this allocation was spent last year, and whether we anticipate that money will be spent this year.

Mr. Newman: I am advised that we are under budget, but we can certainly give you the particulars of those expenses. It looks like any exotic trips were enjoyed by hardworking, conscientious staff of Energy and Mines.

Ms. Mihychuk: They went to London.

Mr. Newman: I will be interested in finding out, too.

Ms. Mihychuk: Can the minister indicate what is involved under the Supplies and Services and Other Operating lines in this budget allocation?

Mr. Newman: You would like a breakdown of all categories: Transportation, Communications, Supplies and Services, and Other?

Ms. Mihychuk: Perhaps my question is actually unnecessary since I see at the back of our Estimates book an outlining of the expenditure areas, and I would take that as sufficient detail.

Mr. Newman: In response, on page 51 of the Estimates book is a definition of Supplies and Services and a definition of Other Operating. I can certainly provide you with a breakdown of the particular components to those two categories and others, Transportation, Communications, if you wish.

Ms. Mihychuk: While we are talking about travel of rich and famous people, I want to ask the minister if he had an opportunity to visit any of the department's geologists in their field locations last year.

Mr. Newman: I visited the offices—and I visited several mine sites, but we have a plan this year to visit all operating mines in the province. I am really looking forward to visiting people actually out in the field doing exploration work, drilling and otherwise. I think I could very easily become an enthusiast for the kind of pursuit that you followed before you came into your elected position. So I look forward to doing that and do consider it to be important that I do that. That is what I have done as a matter of practice at every opportunity to try and get a feel for the people that are in the front lines and everything that they do.

Ms. Mihychuk: The minister mentioned that he did have the opportunity to visit some mining sites in Manitoba. Would the minister provide us with his impressions of that experience, briefly?

Mr. Newman: I cannot remember whether I have told this story directly to you, but I have used it in a number of talks that I have given. My experience in visiting Inco and going almost a mile underground and seeing the magnitude of that long-time, extensive development left a lasting impression, which I share as being as

large, in cubic metres, an ongoing construction site for more years than you will see anywhere else in the province any time; it also frequently illustrates the impact that Inco has had on the development socio and economically of a major and important city like Thompson. I made similar comments about Hudson Bay Mining and Smelting and the impact on Flin Flon, Snow Lake, Leaf Rapids and vicinity and similarly a look at, in a more southern part of the province, what Tanco has done in its area. Identified with that, you get value added and you get your cesium formate plants.

I come away very respectful of what mining contributes to the province and to communities and also impressed that they take such great pride in environmental rehabilitation and great pride in being good corporate citizens and great pride in the quality of their workforce, also take pride in their resistance to government interference with things they do. They do not want handouts; they do not want us to prevent them from being effective business organizations; and they repeatedly will say that. So, overall, I have been very impressed with what the producing mines contribute to the province in all respects.

Ms. Mihychuk: I raise that because one of the things that I notice when I go to a mine site is also the colours of the people who work in those mine sites. I know that now is a particularly difficult time as we are looking at downsizing. Inco has just released a hundred or 200–120 people, I believe, or approximately, and so to bring on a change in the workers to reflect the northern population is difficult—I understand that. There are a lot of people who have lived and worked in Thompson for Inco for many, many years, but I think one of the things that Manitoba must improve is the partnership that the mining industry has with First Nations people in the North.

* (1640)

So I would ask the minister for his vision towards an aboriginal employment policy or an aboriginal first program to deal with training and access into the mining community, which has been clearly needed for a very, very long time. So I look for the minister's comments in terms of dealing with what has really been a problem, the lack of representation of First Nations people in a very significant industry in the North.

Mr. Newman: You and I, in terms of desire to have the aboriginal community in its broadest sense benefit more from employment in the mining industry, may be similar, if not the same. Where we may disagree is how you go about it. My department, senior management staff, know through the deputy minister that this is a very high priority of mine. One area you start is in your own department and how many people you have employed of aboriginal origin. Progress is being made and it is part of our business plan. The progress, I am advised, is we are up from 2.5 percent last year to 5.8 percent aboriginal in the department this year.

We also recognize from the industry employment perspective with our experience with Partners for Careers, where the aboriginal council for Canadian business, in trying to promote the program amongst mining companies and in the north has been met with a response, and I have heard it directly from employers, that they must have properly trained people who are motivated and want to work in the industry. They do not consider them doing themselves or the employees any favours if they do not have successful employment relationships.

So, the big key is training, and maybe a key behind that is the motivation to be trained and behind that maybe the motivation to support mining and utilization of the natural environment in that kind of way. At this stage in our evolution in Manitoba of attitudes and thinking and feelings, there are a lot of mixed feelings, thoughts and attitudes. Things like are happening in Cross Lake right now are the kinds of things that send out a different antidevelopment kind of message.

So, what we are trying to do in reasoned and value-driven ways is to educate both industry and aboriginal people and others about the culture of the workplace on one hand and the culture and values of aboriginal people on the other, the reciprocal expectations, and create what could be called a code of practice, a code of conduct or what we have chosen to call an aboriginal mining accord.

We, as part of this year's budget, and I am sure you will get to it later, have invested some of the budget in the development of that strategy, and it will have to be driven by the community itself, both industry and aboriginal people, through a workshop kind of process.

We believe that that will contribute to greater employment, greater entrepreneurship, entrepreneurial relationships between aboriginal people and the mining industry.

We also have had some useful experience with aboriginal people being involved—I have met them—in the prospectors program. I do not have the specifics of the program I was thinking of, but there was a work experience program from prospective geologists through the Keewatin Community College who interacted with our department here in Winnipeg and had some useful experience. Again, that is the kind of thing to give them that kind of support and encouragement.

The way that mining is dealt with by elders in a community, the way mining is dealt with by teachers in the schools, the way community members think about mining, all of those kinds of things are going to be major factors in changing the numbers of aboriginal people involved in mining.

I also am advised that the Mining Association of Manitoba anticipates hiring 10 students to be employed by member mining companies engaged in winter exploration programs this year. The mining companies will also write to their subcontractors to canvass for interest.

Another thing that I have just been exposed to, seeing how the exploration companies are now motivated by mutual self-interest, is they have, when they have exploration in lands near to or adjacent to or were considered to be traditional lands at reserves, made a point of hiring people from the reserves to do line cutting and a variety of other functions for them. They do that, as I say, out of a mutual interest kind of situation seen to be a win-win. It is part of the kind of thinking which we believe can lead to a useful aboriginal mining accord whereby the expectations of each will result in better understandings and appreciation for the importance of mining and for being involved in mining.

* (1650)

Ms. Mihychuk: Is the minister familiar with the multiparty training plan that was adopted on March 12, 1996, in Saskatchewan, whereby there was a

multisector committee established that included industry, the aboriginal community, the federal government and the province and levered among the parties \$10.5 million for training of northern individuals to prepare northern people for new mine jobs in the North projected up to 1999? This included education people in the north in Saskatchewan, as well as industry people and government sectors. Their goals were to train northerners for, they estimated, between 500 and 700 person years of employment. So they looked at a direct approach, looked at a partnership.

I am wondering if the minister is aware of the program or anticipates this type of program for Manitoba.

Mr. Newman: I am aware of that program. The approach that has been taken to training under the new hand-off of training responsibilities to the province has left in the control of the federal government investment in aboriginal training.

There is also a new program which I have agreed to be a champion for, and that was the federal aboriginal human resources development business council. The department of Native Affairs is involved. Our department of Native Affairs Secretariat is involved on the working group made up of employers and driven by employers but championed by the federal and provincial ministers that have agreed to be part of it. I see that as the kind of vehicle to try and induce the mining companies to get more involved, also the Partners for Careers program.

So we have our made-in-Manitoba sort of approach which is addressing the kinds of needs that appear to be through that program you have described being addressed in Saskatchewan. We are just going about it in a different way, but it is useful when the federal government has committed to that kind of program in another jurisdiction.

We have Metis people and First Nations people, and Metis actually have quite a history in being involved in mining as well as First Nations people in particular mining communities.

All of these are useful experiences which we have an interest in examining success stories from, but we do

have an approach emerging in Manitoba which is a multifaceted kind of approach.

Ms. Mihychuk: The minister, in response to one of my questions, mentioned that the mining industry, in fact, was not looking for a handout. I just want to indicate that the department has recently completed an inquiry, an evaluation of Manitoba's Mineral Exploration and Assistance Program in 1997, and 75 percent of industry respondents expressed that they wish to have the program continue. I think that in fact whether it was the sole reason for them to invest here, and I doubt it, industry is not turning their back on the program. We have seen the uptake actually increase and the program being fairly well received with the changes.

So just for the record, this government has provided incentives for exploration and industry has not exactly shunned those grant opportunities, and that has been a benefit to some and, in others, I think that still has to be evaluated. There is an indication in this survey that 63 percent of all respondents indicated they would have conducted exploration without financial assistance. So I agree with the minister. Exploration will continue with or without MEAP, but MEAP is available and the grants are available and we are getting take-up, so mining companies are looking at Manitoba and are taking up the MEAP option.

Mr. Newman: Just to comment on what you have observed, because you had indicated you supported enthusiastically the MEAP program as a very good program, I want to say that if I did not regard that as an investment in extraordinary circumstances which will not go on forever and has a limited lifetime, I would not support it as a handout or as a leg-up.

Mr. Chairperson in the Chair

This is nothing but an effort to induce exploration in particular areas that because of the impediments, the costs do not attract the degree of exploration that we would like but also to overcome a legacy of your predecessors in government, and I appreciate you were not there, but the New Democratic Party supported mining policies which to this day are regarded as negative good will for being involved in exploration and mining in this province, including the mineral exploration corporation, which you referred to, which,

in the best interests of Manitobans, has been sold and no longer is an impediment to the positive environment for doing business.

No longer is there a threat of expropriation. No longer is there a threat to interfering with good business judgment. No longer is there a threat for a competitive environment for doing business on a world scale without political interference.

So there is a need, has been perceived to be a need, certainly by me and my colleagues, that we have to overcome that negative good will by these types of investments which, and for the moment I feel that we have overcome that, and it might be when we discover a, when a major mine emerges and gets all kinds of positive good will that we will not need MEAP anymore, but it continues to attract more and more junior exploration companies and others into Manitoba. We see it as bringing positive good will results.

Ms. Mihychuk: Can the minister explain why the department has lowered its mission in terms of mineral exploration from a goal of 50 percent to increase, and I am asking here—in the annual report of 1996-97, the role and mission was to increase mineral exploration in Manitoba by 50 percent. Now I see that the goal has been decreased to 40 percent, and yet we maintain MEAP and continue programs. Can the minister explain why we have seen this decrease?

Mr. Chairperson: Order, please. The hour being 5 p.m., time for private members' hour. Committee rise.

HEALTH

Mr. Chairperson (Ben Sveinson): Order, please. Will the Committee of Supply please come to order. This afternoon this section of the Committee of Supply meeting in Room 255 will resume consideration of the Estimates of the Department of Health. When the committee last sat, it had been considering item 21.1(b)(1) on page 71 of the Estimates book. Shall the item pass?

Mr. Dave Chomiak (Kildonan): Mr. Chairperson, maybe we will just start out on organization again. Today we are going to be dealing with the Long Term

Care board in Winnipeg, roughly, and tomorrow the Winnipeg Hospital Authority is coming in—

Hon. Darren Praznik (Minister of Health): Tomorrow and Thursday.

Mr. Chomiak: Tomorrow and Thursday, yes, I think that makes sense. I guess, between now and then we should also try to deal with matters relating to Ms. Hicks' area of jurisdiction we had talked about. Now, just by way of background, that would include most of the program there. That would include home care, continuing care and the like. Is that correct?

Mr. Praznik: Yes, Mr. Chair, it is, and I should just point out that Mr. Webster will not be available tomorrow, or Dr. Postl, pardon me, will not be here tomorrow, but Gordon Webster will be. But Dr. Postl will be here on Thursday, so we should be able to cover those areas, I think, fairly adequately.

Mr. Chomiak: I thank the minister for making those arrangements. Just at the onset, I want to clarify specifically where the budgetary item is in the Estimate books for the Long Term Care Authority that we are basically dealing with, because there are different budgetary items that are allocated to long-term care services, for example, under 21.5(b), but that clearly does not cover areas of home care, mental health and that. I am wondering if we could sort of isolate where that—and I believe Ms. Suski has made comments about what her budget is. So can we sort of get some clarification as to where all that funding arrangement sits?

Mr. Praznik: I am advised page 81 of the book would be—perhaps Ms. Murphy would like to just give the member a sense of where it is found all over the system.

Ms. Susan Murphy (Director, Finance and Administration): Mr. Chairperson, the Funding to Health Authorities for Community Services that the member would find called Subappropriation 21-4, which covers Home Care Services and Community and Mental Health Services is the area in question. That provides for the funding for the Long Term Care Authority and the community funding for all of the other regional health authorities.

Mr. Chomiak: The funding for the Long Term Care Authority in Winnipeg and all of the community programs for all of the other regional health authorities across the province is found in that appropriation 21.4?

Ms. Murphy: That is correct.

* (1450)

Mr. Chomiak: What about personal care home funding and the appropriation for personal care home funding?

Ms. Murphy: Mr. Chairperson, the funding for what is included in the Health Services Insurance Fund, which used to be called Hospitals and Personal Care Homes can be found on page 89, and it is called Long Term Care Services.

Mr. Chomiak: Then what I am trying to ascertain is whether or not the Long Term Care Authority in Winnipeg and the various other regional authorities outside of Winnipeg are responsible for that envelope of funding as it relates to personal care homes and long-term care. I am getting—[interjection]

Ms. Murphy: Yes, that is correct. It is a little bit difficult to follow in that Appropriation 21.5 takes place in the Health Services Insurance Fund, and that is for insured services, and Appropriation 21.4 has been established to amalgamate all of the community services that were previously in external programs inside the department. So it does take a combination of personal care homes and community services for the WCA, and in the other regions it would be a combination of acute care services, long-term emergency plus the community which would form the full part of the budget for the other regional health authorities.

Mr. Chomiak: I think you have very adequately answered the question. Let me try to isolate it then just from the Winnipeg perspective, because I understand for authorities outside of Winnipeg we are dealing with Appropriation 21.4. We are also dealing with Appropriation 21.5 (b) which includes the Long Term Care Services, personal care homes. In addition, for those regional services outside of Winnipeg, we are

also dealing with emergency and some acute care functions, but for the city of Winnipeg we are only dealing with 21.4 and 21.5(b), and there would be no other areas of funding that would fall through that? It is not a trick question. It is just an attempt to ascertain the—[interjection]

Ms. Murphy: For the Winnipeg health authorities, for the WCA specifically, it is 21.4 plus the Long Term Care area of 21.5, that is correct.

Mr. Chomiak: So the total services provided by home care within Winnipeg, those services dealing with mental health in Winnipeg and those services dealing with personal care homes and long-term care in Winnipeg are all funded under that particular authority.

Ms. Murphy: I am advised that mental health and public health should be added in there as part of the combination. When you describe Community and Mental Health Services, that is where the public health component is as well.

Mr. Praznik: Just to point out to the member, as I have said, we are very much still in the transition, and it will take a few years to get it all right in terms of how we place these lines in our books and we work them through, and I am sure he appreciates we are still very much in a transition period.

Mr. Chomiak: What public health functions are not in the scope of the Long Term Care authority?

Ms. Sue Hicks (Associate Deputy, External Programs & Operations Division): Mr. Chairperson, public health is being transferred over to the Winnipeg Community and Long Term Care. It is the actual public health services, so the public health nurses that provide the service in the regions and the community services that we provided in Winnipeg region, like the mental health workers and the public health nurses. So it is the service that is being transferred over. Centrally we will still retain things like communicable disease surveillance and surveillance of various other diseases and central kinds of functions that apply to the whole province.

The matter of the medical officers of health or public health officers is still under discussion. It has not been

determined whether they will be decentralized or remain centralized.

Mr. Chomiak: Public health programming will be delivered—will there be a central function delivery other than communicable diseases? Is there still a function centrally within the Department of Health?

Ms. Hicks: Within the central department of Health, we will still have the chronic disease component like diabetes surveillance and things like that. Any public health program that essentially is provincial in nature, and there are some co-ordination factors will remain in the central office and then the service element is being transferred to all the regional health authorities so, for example, it makes no sense to have surveillance monitoring done decentrally. It is being done centrally.

Mr. Chomiak: Palliative care programs will be delivered out of where and how?

Mr. Praznik: Mr. Chair, just for clarification, there are two types of palliative care. One is in the acute care setting and the other is in the home setting. The acute care programming of course will be delivered, I imagine, by the Winnipeg Hospital Authority, and the nonacute care palliative care programming would be delivered by the Winnipeg Long Term Continuing Care board, and what is very important is that that type of programming be well co-ordinated.

Mr. Chomiak: Who is going to be delivering palliative care programs outside of the city of Winnipeg?

Mr. Praznik: The regional health authorities, who are not split into long-term continuing care and hospital but are one health care authority with their whole delivery mechanism. In fact they are delivering some of that programming now, and it is a developing area of programming for them.

Mr. Chomiak: Since we are touching on it, can we have a description of the palliative care programs that are proposed and that are proposed to be delivered by the two authorities in the city of Winnipeg?

Mr. Praznik: If we can get the housekeeping part out of the way, I think that is a question best put for Ms. Suski. I am wondering if the member has any more

housekeeping business that he would like to attend to. I have a couple of issues, and then I could introduce my staff, perhaps?

Mr. Chomiak: The authority for Misericordia Hospital will obviously come under the care of the long-term care authority. Is it under their jurisdiction as of now?

Mr. Praznik: No, it is not. At this time it is still under the Winnipeg Hospital Authority. We are still finalizing our arrangements with them. As I indicated last week, they had a couple of issues they have raised, and I am hoping that they will be able to resolve them shortly in their own thinking in order to move forward on this proposal.

Obviously there are some issues of jurisdiction that will have to be sorted out. That is one of the items that we have to work out with them. I suspect the thinking today is that they would move into the long-term care area but of course the transition, how that would happen, they are still a primary care function as part of that facility and other things. Those are things that are part of our planning process with them.

I should say to the member, it is our intention, and the instruction to both authorities is that as they do their planning and build their authorities and become operational, they are not to lose sight of the fact that at some point in the future, and I mean near future as opposed to distant future, they will probably merge into one Winnipeg Health Authority, but because of the size of their respective operations, to take on the challenges of both adequately at this time just was not viewed as feasible. That is why they were in fact split into two authorities initially.

* (1500)

Mr. Chomiak: Is it still the intention of the department to totally phase out Level 1 and 2 personal care homes across the province?

Mr. Praznik: Before we get onto these questions, are there any more logistic issues the member would like to raise? I would like to introduce my staff, and I have a couple of housekeeping, if I may raise now, and then we can get into the formal part of it. Before I introduce my staff, one housekeeping issue, I know the member

asked me to flag legislation with him, I would make one addition to that.

It has been pointed out to me as we were doing a final review on the personal care home standards that the Provincial Auditor has indicated to us on a number of occasions that we currently have some requirements to license hospitals, I believe, under The Hospitals Act. The province, I do not believe, ever in its history, going back decades, the decades that that legislation has been in place, has actually provided for that licensing scheme. Now that we have moved into regionalization, where we have a number of different hospitals, we have those that are operated by regional health authorities, some that will remain independent, where the regional health authorities will be delivering programs in a facility, and we have some that continue to want to provide services on a contract basis—that there be appropriate licensing to meet the recommendations of the Auditor. So I have asked my staff to look at adding that to our legislative agenda. It may or may not be a bill in this year's session, but I wanted to add that to my list and ensure the member had that information as to where my thinking was at the current time.

If I now may introduce our staff. First of all, we have Marion Suski, who is the chief executive officer of the Winnipeg Community and Long Term Care Authority. I have asked them to please join us up here at the committee table. We also have Mr. John Borody, who is the vice-president of home care and mental health for the WCA; WCA being the initials we are using for the community care organization. We also have Cathy Lussier, who is the director of operations of home care for the WCA, as well as Maureen Thomson, who is the vice-president of long term care and specialized services.

Mr. Chomiak: Just to follow up on the minister's previous comment, I appreciate him letting me know about the legislation. The minister is indicating there is going to be legislation setting particular licensing provisions for all personal care homes in the province. Is that what he is planning to do?

Mr. Praznik: Mr. Chair, correct me if I am wrong, but I think we talked about this earlier when we talked about legislation, when he indicated what bills I would be bringing and what were the gist of them. I had

indicated to him that we required the legislative authority to provide for the licensing scheme for personal care homes, and we would be seeking that authority from the Legislature.

After our discussions at committee that day I went back with my staff and I wanted to know if there were any other areas and how did we deal with hospitals, because the answer I had from my staff at that time was that we had that power, but it was pointed out to me that the power is under The Hospital Act—it has never been used—and the Auditor suggested that we should be using it but the current scheme was somewhat inadequate, given the changes that had taken place in the way hospitals operate with regional health authorities.

So what I am flagging with the member today is that there may be an additional piece of legislation to address the hospital side of that, if that is required. I wanted to do that because I had indicated to him that our legislative agenda in Health, what it was, and that if there was some change in that I would flag it with him. I do not know whether or not we will be coming with a bill, but I flag it with him that there may be some amendments to The Hospital Act to create for the similar kind of licensing structure as we would be doing in personal care homes.

Mr. Chomiak: I thank the minister for that clarification. Now, I wonder if we might have a copy of the organization chart for the Long Term Care Authority.

Mr. Praznik: I will table the WCA executive. If Ms. Suski wants to add any positions under these executive members, she can do so.

Mr. Chomiak: I appreciate the fact we will be obtaining a copy of that, the minister indicates photos included. I wonder if we might also have the salary levels, as well as: do we have a business plan or a proposed business plan for the Long Term Care Authority?

Mr. Praznik: We are not prepared to make that public at this time. There is accounting for that process. As well, the business plan is still under review by the department or discussion with the WCA. I believe that

information in total, that declaration Sue Murphy points out to me is required by law by the 30th of June. Pardon me, Mr. Chair. [interjection] My apologies. The WCA has until the 30th of June to provide their business plan. There are some discussions going on with them, and it would not be appropriate to provide all of that information until all of that was complete.

Mr. Chomiak: Just so I understand correctly, the minister is indicating they are not prepared to make the salary levels public and that they are not at this point prepared to make the business plan for it, but at some point it is going to somebody for June 30, and then what is going to happen?

Mr. Praznik: Mr. Chair, the WCA, like the WHA and all other regional authorities are required to provide us with their business plan. Because their board is in a transition period, we have given them I believe till the 30th of June. We have a chance to review that and make changes, finalize it, so it would be inappropriate to give information at this time that has not been finalized. It is still being developed and put together.

There is legislation in this province with respect to disclosure of salaries, so consequently that information will be provided and made public under that act. But while things are being negotiated and put together, it would be inappropriate to put that information out in a half-completed form.

The other point that I make, I think it is important for taxpayers to recognize that the administrative costs of both the WHA and the WCA will have to be found within the current administrative budgets of the operation and our own department, because some significant portions of our department have been moved over. For example, home care, which was run within the Ministry of Health, is now being run within the WCA, so the administrative dollars attached to that are part of moving it over.

So when the business plans are finalized, it is my expectation as minister that they will be able initially to be done within the overall administrative dollars in the system today, and in the long term, I am expecting that we will see reductions in administration across the system.

I know my experience with regional health authorities rurally or a year ahead that as they had that first year of operations to—not the planning year but the year of actually running things—get into their operations of the facilities and programs that they had taken over, that they were able to find—I do not know if there is any exception to this—but they have been able to find savings within their system. The one exception might be Churchill and Burntwood, which are northern and have some other issues involved with them, but on the southern rural side they have been able to identify more savings in administration than the cost of running their own administration with a net result of reduced administrative costs.

I know the CEO in south Westman, which would probably have achieved the greatest savings, tells us that he has reduced the administrative costs for health care in his region by some 50 percent, but it did take, you know, that first year to be able to get into those structures and to find those particular savings. So that is part of the business plan that has to be developed, and certainly over the first year or so of operations we expect the WCA and WHA to be able to make savings in the overall administrative costs of the system.

Mr. Chomiak: Mr. Chairperson, I have a list now of six executives on the WCA board. Is there a list of other employees, numbers, et cetera, as it relates to the WCA board, so we can get some picture and some perspective on what this operation looks like?

Mr. Praznik: I am going to ask Ms. Suski to review with you her staffing under those people, but one point on the current chart that I think is worthy to note is both Mr. Kochan, the V.P. of finance, and Mr. Byron, the V.P. of human resources have joint responsibilities to both the WCA and the Winnipeg Hospital Authority, and that was done for two purposes—not to create similar functions in both authorities to replicate what was being done—but also to help along the eventual amalgamation of those two authorities. If Human Resources and Finance were both being run jointly, it is much easier to be able to amalgamate the authorities at a point in time, and that is why that, in fact, was set up. Ms. Suski may want to answer the member's question with respect to other individuals.

* (1510)

Ms. Marion Suski (Chief Executive Officer): I would like to say that I have a director of Corporate Planning and Research reporting to me. I also have a corporate secretary. Under Finance, there is one director of Finance who is responsible totally for the WCA, Glen McLennan. On the human resources side there is one director, that is Malcolm Kirkland, who is responsible for the WCA. Mary-Anne Robinson, John Borody and Maureen Thomson each have two directors reporting to them, one Operations and one is Quality and Planning.

Mr. Chomiak: Just for my clarification, under each of the V.P.s, Robinson, Borody and Thomson each have a director underneath them—two directors underneath them: one for Operations and one for Quality, did I understand that correctly?

Ms. Suski: Yes, those are the gists of their portfolios. I do not have the job descriptions here and I do not have the exact titles.

Mr. Chomiak: Presumably the commensurate staff from the Department of Health have moved over. Have staff moved over from the Department of Health underneath the respective V.P.s in those agencies? Is that correct?

Ms. Hicks: Under the Home Care and Mental Health, the staff reporting to Mr. Borody are directly from the Winnipeg region operation. The staff that are reporting to Mary-Anne Robinson have come from, indirectly through the department, our St. Vital nurse resource centre which is Winnipeg region, and also Jeannette Edwards from the community health centre.

Then Maureen Thomson has one person from the department and one person from the hospital sector, so all of the people that are working with these senior people are from within the system in one form or another. Most of them, at this point in time, have not been replaced, certainly not directly or likely to be replaced.

Mr. Chomiak: Do we have a figure that shows the comparison between the number of employees that were at the Department of Health, that are no longer there, that are now shifted over to the agency? Do we have a number on that?

Ms. Hicks: Just bear with me here. I have got both provincial and Winnipeg figures. With the total number of people that have been transferred over from the civil service to the regional health authorities provincially, is 1,511. Within that, there are 4,911 home care workers, who are not considered to be civil servants because of the nature of their contract.

Mr. Chairperson, I am sorry about this, the figures are just a little confusing. There are 290 FTEs to be transferred to Winnipeg, civil servants.

Mr. Chomiak: I am a little bit confused. There are 1,500 Ms. Hicks initially gave us, and then there is an additional 4,000-plus that were home care workers.

Ms. Hicks: Right.

Mr. Chomiak: The 290 refers to whom?

Ms. Hicks: Are people still to be transferred, remaining in Winnipeg. So within the home care numbers, Winnipeg is included in that. We could probably get you the Winnipeg breakdown. It will just take me a minute.

Mr. Chomiak: I would appreciate that breakdown. My clarification is to the numbers that we are just referring to now. Is that only for the WCA or is that for—

Ms. Hicks: No.

Mr. Chomiak: That is for sum total in province including the Winnipeg Hospital Authority, the WCA, and presumably other regional authorities? Is that correct?

Ms. Hicks: Yes, Mr. Chairperson. In total, we have transferred over 6,422 people to the regional health authorities. That includes the home care workers and the civil servants, the combination of the two, recognizing that the home care attendants and those workers in home care are not considered under civil servants. They are employees of the department. Then we have got 290 still to go over to the Winnipeg Community Health Authority, and I will get that breakdown for you.

Mr. Chomiak: I thank you for that response. Again, those breakdowns include WHA plus WCA? Is that correct.

Ms. Hicks: The WHA is all hospital staff, and we have not included those, because they were not departmental staff. So the hospitals remain the same. We are basically talking about the staff who were our staff.

Mr. Chomiak: So that the staffing numbers that I have been given include staff not only for the WCA but for WHA as well, keeping in mind that hospital staff—or no; is that not the case?

Ms. Hicks: That includes all the staff that are transferred to the regional health authorities, rural, and to the Winnipeg Community and Long Term Care Authority. We have, in essence, not really transferred any staff to the WHA. Those are administrative staff, of which some have gone from the department, left, and reapplied. The rest are considered hospital staff, and we have not counted those in the numbers.

Mr. Chomiak: Do we have any accounting of the numbers of people that have left the department and reapplied and assumed positions with the WHA?

Ms. Hicks: I do not have that exact number with me, but I could certainly get it for the honourable member.

Mr. Chomiak: At the press conference that was held by the WHA recently, they indicated what their administrative costs would be for this year. Do we have a commensurate figure for the WCA?

Mr. Praznik: In fairness to the WCA, they are developing that, and that is what is expected to be done by the 30th of June.

* (1520)

Mr. Chomiak: I understand that there will not be a business plan prepared until June 30. Will that plan be made public after June 30?

Mr. Praznik: We have not made the details of each business plan public in our rural regional health facilities, but it does form part of their annual report which is a public document. We also expect them to

keep their community well aware of their initiatives in the services that they are delivering during the course of the year.

Mr. Chomiak: I am certain we must have a list of programs that are going to be offered by the various V.P.s under the WCA, that is the Community Care and public home care and mental health and long term care and specialized services. Can we have a list of those programs?

Ms. Suski: Mr. Chairperson, under Community Care and Public Health Services, that is all public health services that were mentioned earlier. It also includes the community health centres. It includes nutritionists that are working in the community. It includes audiology, and it also includes the rehab centre for children. There are some specialized areas in that portfolio.

Under Home Care, it is exactly what it states, home care for Winnipeg home care and mental health services that are community-based. It also includes quite a few agencies under Mental Health Services. It also includes some specific programs.

Under Long Term Care and Specialized Services, that includes the personal care homes; it includes adult daycare; it includes chronic care; it includes supportive housing; it includes a few other specialized services. Oh, under the grants that we will be providing, there are support services to seniors and also different seniors programs.

Mr. Chomiak: Thank you for that explanation. Is there a specific listing of programs that we might have?

Ms. Suski: We do have a listing in our inventory of our portfolio under the WCA, and we can provide that.

Mr. Chomiak: I thank you for that because I believe that would be useful. Let me just illustrate what I am trying to get at. For example, if we were to look at some of the public policy programs that were formerly administered by the department, be it programs as they specifically relate to women or programs as they specifically relate to aboriginal people or various other programs, are they going to be delivered under the WCA, and if they are delivered by WCA, then will the

commensurate matching programs be delivered by the regional health authorities outside of Winnipeg?

Ms. Hicks: Mr. Chairperson, all of the community-based programs are being delivered in the regions. For the community-based services in Winnipeg, that will be the responsibility of the Winnipeg Community and Long Term Care Authority.

So we are transitioning our programs so that any program such as a program in the whole area of women's health, if it is deemed to be a provincial program, would then be managed and actually serviced or offered in various parts of the province, for example, mammography, but the standards and the monitoring and the policies related to those programs would still remain central, so that the central office and the central government would do the development of the programs and the policies and standards related to them, and the regional health authorities would deliver them.

Mr. Chomiak: How would that relate for specific programs, for example, if there is a needs-based program that is required in one region and not in another? How is that ascertained? Is that done at the provincial level, or is that done at the regional level?

Ms. Hicks: Each region is carrying out a needs assessment right now so there will be certain programs that every region will offer. For example, home care will be offered across all regions, but with the needs assessment, there will be varying degrees of some programs in some target areas like child health and women's health, so there may be more focus on some of those programs in some regions as compared to others, depending on what the needs assessment indicates.

Mr. Chomiak: And what about programs and initiatives such as the child health programs? How will they be co-ordinated and plugged into the system?

Ms. Hicks: Basically the same way. If there are programs that are being offered to focus in on children, there are two ways. They can be offered in the region through existing programs, or if there are new initiatives that are needed, then they can be discussed and worked and done in conjunction with central office, and then the determination of where they would be located and how frequently and the standards, et

cetera, would then be transferred to the regional health authority.

Mr. Chomiak: I am aware that the regional health authorities outside of Winnipeg have undertaken needs assessments. Can we have copies of the results of those needs assessments?

Ms. Hicks: Mr. Chairperson, they are not all finished at this point in time, but I do believe that when they are complete—it is a fairly lengthy process so they are in the process of doing it right now, but certainly once they are completed they will be available to the public.

Mr. Chomiak: Who is undertaking the needs assessments in the City of Winnipeg, and is the WCA and the WHA each doing their different needs assessment?

Ms. Suski: It is a joint community assessment for Winnipeg. The WHA and the WCA are doing it jointly, and there is a steering committee that is being set up to deal with that.

Mr. Chomiak: Do we have any indication who is on that steering committee?

Ms. Suski: At this particular time there is a director of Corporate Planning and Research from the WCA, associate vice-president from WHA; they are co-chairing. There is a vice-president from the WHA, vice-president from WCA, there are two people from the Health department, and there is a medical officer of Health from the Winnipeg region and a medical officer of Health from the City of Winnipeg.

Mr. Chomiak: Will crisis stabilization units and the related services provided in the mental health area come directly under the auspices of the WCA?

Ms. Hicks: Yes, the delivery of those services will come under the WCA. The development again and the standards that are related to them will remain the responsibility of the department.

Mr. Tim Sale (Crescentwood): I would like to just explore a little further the question my honourable colleague asked in regard to the needs assessment process. I understand the steering committee is a very

prestigious body in terms of the officers that are on it, but could the minister or his staff indicate how it is proposed to undertake something as enormous as a needs assessment study for a whole city of 680,000 or so people, plus a trading zone that depends on Winnipeg for health care to a great extent?

In my former lives, I have had the opportunity to read a number of needs assessment studies on much, much smaller populations that were already enormous in their scope and size. I, frankly, have never seen a needs assessment study for a population anywhere near that size. The only ones that I have an awareness of that tried to do that, Metro Toronto tried to do a needs assessment study for mental health services, ran into a number of volumes, took over eight years and resulted in nothing whatsoever happening.

Could the minister give us some assurance about how the community is to be involved, the time line for this study, and how he would propose to undertake such a massive piece of work in time to have any real impact on the actual planning and carrying out of services which, obviously, has to begin immediately?

Mr. Praznik: Well, Mr. Chair, it is interesting the member flags the issue of whether one should do it or not do it. It does speak volumes about the current system of delivering health care in the city of Winnipeg, one of which his Leader in the House continues to support that old system. Because today when I look at it, what are the guiding principles we have, what needs are we attempting to make? Each day we engage in public debate in the House, sometimes driven by particular interests within that system, and I do not say that in a bad way, but groups who have their expectations, services that they want, making a case publicly, using the media to advance a particular case for some particular service or issue that they want without it being looked at in the context of the whole.

* (1530)

So it is important that we do more of that, trying to look at the whole context and how it works together. We are not asking either authority to embark on a needs assessment that is going to take eight years to complete and produce thousands of volumes, pages of volumes, that will make it useless to us. We are not asking them

to be absolutely, totally definitive in everything they do. I do not think the member would realistically expect us to, but we are looking for them to get a sense of what services we need to provide, what the priorities are, how do they fit together, what improvements should be taking place.

I know that on the hospital side, the planning teams within the WHA, and members will have a chance to talk to Dr. Postl about that on Thursday, I believe, have been able to identify many, many issues where we can provide better service and meet need. They have only been working away for the last number of months, since their appointment.

I am going to ask Ms. Suski to speak about this a little bit more. She represents half of that process, about what her expectations are in this particular event, and perhaps you may want to advise us as well of some of the plans for public input and consultation in that process. Those are very valid questions.

I know when we embarked on this in rural Manitoba, although some of those plans are being finalized and still being completed, all of that work was done within the first year, and what they provided was a good starting place for regional health authorities in terms of what they needed to address, where they needed to put in their effort. Was it absolutely perfect? No, probably not. Was it a good set of guideposts to aim for? Yes. Did those guideposts exist before? No, not at all.

I would agree with the member, if what the member is saying, that if you embark on a process that is going to take eight years like Toronto, you may as well not even do it, because by the time you have done it, the time has marched on past the ability for it to have any effect anyway. If his advice to me, and I think it would be good advice, do not make the process so onerous that it cannot give you some guideposts that you can use and be timely about it, then I would say that is very good advice if that is what he offering. But I am going to ask Ms. Suski to comment, and perhaps the member has more questions for Ms. Suski on that process.

Ms. Suski: I would like to say that we are using a triangulation method. It is where we collect all data that we can from existing briefs, existing data that exists in the system, and we are looking to many

different places: Stats Canada, Social Planning Council, different reports from Manitoba Health, or different reports that have been done previously.

So a lot of that is already documented. We are also looking to do a survey, and that is the part that we are working on. Some of the questions will be the same, or a majority of the questions will be the same, as has been surveyed in the other areas of Manitoba. So there will be some comparison and some baseline information.

Then we are looking also at regionally collecting data through focus groups, key informants, different areas. A lot of our already portfolios and a lot of our staff have looked and found a lot of data that exist. We are asking a lot of questions. Just by doing our inventory with WCA, we are finding out a lot of services that already exist in Winnipeg, and we are looking to put all that together.

So it is not one method of collection of data or information; it is several different methods put together. We believe that, yes, this is on a fast track, but this is kind of like a base line that we are establishing to see if we are on the right track, establishing priorities with what Winnipeggers are telling us, and then we probably will be repeating this community assessment down the line, probably in—I could not say—maybe three years, maybe five years.

It is a big undertaking, there is no doubt, but I think this is one method where we would be able to tell whether we actually have the same priorities as Winnipeggers themselves and be able to tailor our programming along that vein. So we do hope to initiate it quickly and to get some results fairly soon so that we want to keep moving our programs and implementing them in the right direction.

Mr. Sale: I am aware of at least four community clinics that have done needs assessments in the last few years, pointing out shortages of ability to deliver services. I think of one clinic, for example, that routinely simply turns away patients because they do not have medical staff to meet their needs. They are full. It seems to me that it is very difficult to think about a centralized needs assessment study when we have an abundance of information that indicates all

sorts of shortages of available activity at a local level already.

I would think that, if Ms. Suski's staff have been gathering information, they probably have close to a roomful now, and that the problem will not be information—there is lots of that. It will be trying to make sense out of it in terms of the needs that information already represents.

So two questions. What is the way in which local community groups—and I think of one in my constituency that has been meeting for a couple of years out of the concern that it is virtually impossible for a woman to get a primary care physician in our community—practices are all full—particularly if the woman wants a woman practitioner. Secondly, this group has been trying to figure out how it might move forward in implementing some of the words of the government around community health needs of Manitobans, thinking about public health nursing in schools, which has been cut back, thinking about how they do workplace safety and health programs in our community to reduce those numbers of workplace safety and health issues that affect all of us.

I guess I am worried about a very centrally driven needs assessment process when we have enormous amounts of data already, much of it already at the community level. It seems to me that we are likely looking at a year to two to three years of trying to assemble this data before anything will be done about it. In effect, many studies have been done, indicating what we need to do already. It is just another way of delaying getting on with the program.

Mr. Praznik: Let us take the member's comments apart for a moment and examine some of the issues he has raised.

First of all, with respect to public health and nurses, we have and continue to provide public health services. With respect to public health services in schools, I am advised by my associate deputy minister that we continue to provide public health services that are available in schools. Those services tend to get shifted around somewhat, depending on the needs of the schools at any given time. Having been related to someone in that business for many years, I know that

depending on what goes on in a school in a given year, her particular time was spent in some areas more than in others, depending on a host of things. So although one school may see what they view as less public health in their school, others may be seeing more at a particular time, so the member may have some questions for our associate deputy minister in that area.

The second area that he raises with respect to finding physicians, family practitioners, is a very valid one, and it is one of great concern to me. That is why that issue is in itself going to be solved by the WCA. It is one that has to do with how we remunerate physicians, and particularly female family practitioners, there are a host of issues around the fee schedules that do not work, quite frankly, and that is part of the issues that are now in bargaining.

* (1540)

I believe that if we are going to be able to see some significant improvement of physician availability in the family practice area, we are going to have to move, as the member for Kildonan (Mr. Chomiak) has suggested, to more contract or salaried physicians or better arrangements. It is one that I have suggested. We have started that process somewhat with our emergency arrangements and are moving more and more in that area. There are a lot of internal small-p politics within the MMA around that that make it difficult to achieve, and members opposite know of what I am talking, but we are hoping out of this next round of bargaining with the MMA. and, ultimately, if that is not able to solve problems, we have some responsibility beyond the MMA to deliver. We need new methods of remuneration that see us recognize those priorities.

On the other side of the coin, if one is going to change those systems, there are other parts within the remuneration package that there are some offsets on. I know members recognize that. So that is not going to be part of the WCA's mandate. It is a provincial mandate because whatever we do here has to apply across the province.

He has flagged a lot of individual community groups working away at their individual needs, and he is right, there is probably a roomful of data out there. The difficulty in trying to get help or get resources moved

into those areas—and it is one I have seen in other departments and certainly see as Minister of Health—I would have no time in the day to even make it to Question Period. If I met with every one of those groups and we tried to solve their problems individually, it is just humanly not possible. The member probably knows the volumes of meetings he is invited to attend with respect to health just out of one constituency.

So if we are going to see some meaningful change, we have to see it happen, I think, on a larger basis, and we need to have an agency that can handle that for the city of Winnipeg. Although we are not going to solve everyone's problem overnight, and not everyone may feel their needs are particularly addressed, at least I think we are going to see a better effort made at expanding and co-ordinating services.

One of the beauties of this new model, one of the beautiful things about it, over the next few years as it develops is going to be the accounting system to be able to account for moving resources from one area to another. It is also going to be the accounting system to know what we are buying and what we are getting and the effectiveness of it. It is much easier for a Health minister, whoever that Health minister may be, to secure additional resources for programming when you have good data on which to base decisions.

I noticed in my first months in office as Health minister that I had, regularly, groups wanting to meet who could point out, well, we do this really well and there are the savings, and, yes, maybe, but you could not verify it. You only had their data to go on, and it was one small area, and as a minister and as a government, you have to make programming that applies across the province. So you did not have the ability often. We ended up doing a lot of pilots. I mean, that is sort of what happens in government departments, and you learn from it.

So part of this whole effort with the Health authorities and what the WCA will be doing is trying to assess where we are spending our resources now, what we are achieving with it, where we need to make some changes on the short term to get some better care. I know, for example, in the community clinics that currently exist, there is the need for some expansion in

that area, the need to be able to handle people, particularly during flu season, the ambulatory cases to take pressure off our hospital emergency rooms. So there are a number of areas that have to be addressed in the short term. I think that, as that board becomes more comfortable with its data that it is able to collect, its understanding of the system, its ability to co-ordinate, some of the more long-range planning that the member talks about will happen.

I believe that in the process they are about to embark on there is a good opportunity to get a sense of what we are doing now. I know I attended the kickoff of the WCA, and Ms. Suski had a wonderful computerized slide that started to show on a map of Winnipeg where services were delivered, just geographically: what kind of services and where, personal care home, home care offices, public health, et cetera. It was really interesting to see this display of what kind of services were delivered where, out of what offices, just geographically. You got the sense that we have built up over time, through a number of different administrative units, a host of programming that today we are not necessarily co-ordinating all that well. That is part of their immediate goal: to get that co-ordination there.

One thing I have never insisted upon is that people plan things to death until the time that they finalize plans and got consensus, time has moved on. I do not expect them to do that, but I do expect them to get a handle on what is going on; to be able to identify where we need to make change and make change quickly; to build the information systems that allow us to make better decisions; and to be able to justify where they are expending public money to know what we are getting, what value it is, and if we need to put more resources in an area, either areas that are not meeting expectation, that should not be funded anymore, that becomes a pool of resources available, and, ultimately, if we need to put more dollars into a particular area, as we have over the last year and other years, we will.

Ms. Suski may want to add some comments here to defend her process.

Ms. Suski: Well, I believe our first priority, I guess, is to really look and see what the inventory is of Winnipeg. It is amazing, we are up to 157 different program sites and services and we are still counting.

The next effort that we are trying to do is actually get a map of Winnipeg, which we have on our wall, and we are trying to plot all those services and to see geographically: Do they make sense, are we serving Winnipeggers in the best way possible? I think we have to look and see: Are we duplicating things? Do we have something very close by, or do we have a continuum? I think what we are trying to do is we are trying to streamline services and we are trying to build a continuum, and we are trying to see that no one falls through the cracks. I think that is our main priority at this particular time.

I am quite aware of many, many consumer groups that have started, and neighbourhood groups; they are doing some wonderful things. We have been invited to many sites already, and I think they are just looking for some system direction and they will go ahead and continue their work in their own neighbourhoods. But I think we have to give them some system direction, because it has been noted that in certain places there has been some duplication, not because it is just from Health, but it is because it has also been duplication from other services, whether it was Family Services or Justice.

So I think we have to look at the entire continuum. We are working with the determinants of health, and health is more than just illness. It is wellness, and we have to concentrate on keeping our population as well as possible also.

So we are looking at advisory committees. There are many that have been set up. We are looking at different community advisory councils that have been set up, and we are working very closely with them because those are the people who live in those areas and can tell us exactly what their needs are or what the gaps are. So I think that is where we are looking as a priority, to really streamline but to work on a continuum of care, and we are trying to work on when someone is discharged from a hospital, are we ready to receive them into the community no matter what area of service they require.

Mr. Sale: Mr. Chairperson, to Ms. Suski, could you tell us when you expect to ask for community input from local—I think there are something like 21 or 22 areas on your map of Winnipeg, something like that; I do not remember the exact number. When do you

expect to ask for input, and what process are you going to use to get that input?

Ms. Suski: A lot of groups have already come forward, have come to visit and have come to show us what they actually have done in their community networks. What we are going to do is look at those programs that they have already established, also look to see what we are planning from the community care side and see if we can come together.

Now, we will be running focus groups. We are doing a lot of site visits. I have probably seen half of the long-term care facilities, a lot of the home care sites and public health sites, but I have yet to visit the Community Care and Public Health Services just because Mary-Anne Robinson was the last vice-president to be hired.

So we will be looking to see exactly what there is in the community in that area with the community health clinics. But there are advisory committees, and we know of them, and we are trying to list them also.

Mr. Sale: I am not sure that was really an answer to the question that I asked. I did ask a 'when' question, and your answer was that you are doing this now in what I would sort of describe as an informal way. When will there be an opportunity for groups to formally engage in the needs assessment process relating to the 21 or more community health networks that are somewhat a part of your process, although I know they are not by any means the only part of your process.

You know, when you draw lines on a map and tell people that you have areas and zones, they sort of expect that there will be some kind of area- or zone-based consultation process. Maybe that is not your intention, but there are some people out there who think that is what is going to happen. So can you clarify that 'when' question and the process by which those 20-plus zones are going to be consulted?

Ms. Suski: I cannot tell you exactly. We have been looking at it in the last month, and very, very clearly we have met with a lot of advisory committees who are working on those networks. I have to tell you that the survey with the community health assessment today is

targeted for June, so we are expecting to see that in the next couple of months we would be making a very concerted effort to involve a lot of people.

Mr. Sale: Just one last question in this area, and I am not sure who can answer this one, so I will just direct it to the Chair. Has a decision been reached yet as to whether or not the continuing care authority will assume direct responsibility for the community clinics in the city?

There was some discussion about the future role of the boards, and the boards, I think, may have already been told whether they will have any future role, other than perhaps advisory or not. Who will operate directly the community clinics such as Mount Carmel, et cetera?

Mr. Praznik: Mr. Chair, first of all, from an overall point of view, the funding and operations, the deliverables and dollars paid for them and direction in terms of policy services provided will come from the Winnipeg Long Term Care Authority as opposed to the ministry, but their boards have the ability to stay in operation if they want. They will have to work out operating agreements with the WCA if they are not meeting the deliverables that the WCA expects or the quality or any of those issues or do not fit into the overall planning. Well, the WCA is not obliged to fund them, but I think it is in everyone's interest, but we certainly wanted to keep those boards and their community in volunteer base and in operation.

Now, if some of them do choose to evolve and want to turn over their operations to the WCA, that is certainly available to them as well, but we did not want to be removing those boards and their assistance and help to this particular process or program, so quite frankly they will remain in operation if they so choose, and they will work out their operational issues and funding, et cetera, with the WCA.

The reason why I do not offer anyone a guarantee in this is I am sure the member knows that any time the Minister of Health makes a statement it becomes policy. If we were to have a situation where we had, say, two clinics servicing the same geographic area, one in decline and one in ascendancy, and you really only needed one clinic for that particular area—the population may have changed in that particular part of

the city, their needs may have changed—then of course I do not want to tie the hands of the WCA to say, listen, it just makes more sense that one clinic be here and that you are either going to have to merge or the other is going to have to close. I do not know of an example today where that is the case, but I do not want to preclude the WCA from making those kind of strategic decisions and where they use their resources. So I do not offer anyone a guarantee forever, but if you are meeting the service needs and delivering a good service and work out the details of an operational agreement, you should be able to continue.

Mr. Sale: Just then to clarify that last point, will the Health Action Centre then be operated directly since it really is not a community health clinic with a board and autonomous incorporation? I believe it was a project of Health Sciences Centre and an outreach, so I assume it is going to go directly under Ms. Suski's operation.

Mr. Praznik: I am not familiar with the detail of the Health Action Centre and its history, but it really is an initiative I understand. I am advised it was an initiative of the Health Sciences Centre and part of their operations. They are currently having discussions as to evolving that facility into the Winnipeg Long Term Care Authority.

Mr. Chomiak: I was just going to make a point before we took our traditional break. I am of the impression, just from the gist of questioning, that we are not going to finish all of the issues, particularly since we have home care and personal care home-related issues, and we are not going to deal with them today. I assume we have the Winnipeg Hospital Authority in tomorrow. I am wondering how we can best accommodate everyone so we can get back to this issue.

Mr. Praznik: I will have staff just check their calendars if they would be available for tomorrow afternoon to continue this discussion till five.

Mr. Chairperson: Time to take a 10-minute break?
[agreed]

The committee recessed at 3:57 p.m.

After Recess

The committee resumed at 4:19 p.m.

Mr. Chairperson: Order, please. We will resume consideration of the Estimates of Health.

Mr. Chomiak: When the government put out its document in 1996 about long-term care and talked about neighbourhood strategies, they talked about designated neighbourhood districts. Have those been set up, or is there a formal structure that is going to be put in place with respect to neighbourhood districts?

* (1620)

Ms. Hicks: The neighbourhood resource networks were put in as a model or as a mechanism for dividing the city up into, sort of, manageable sectors for the purpose of distributing and organizing community health-based services, and in total all the services in Winnipeg eventually. So the plan is to begin to work toward a model that looks like that, but it has not started yet.

Mr. Chomiak: So it is a model that they are moving towards of geographically dividing up the city of Winnipeg into geographic areas to deliver services both long-term and acute care, is that correct?

Ms. Hicks: That is correct.

Mr. Chomiak: Are these to be designed to be similar to the organizational districts that are to advise the various regional health authorities in regions outside of Winnipeg? That is, the 10 regional health authorities are supposed to have district health councils. Is this the parallel in the city of Winnipeg?

Ms. Hicks: That was not the intent. The intent was to divide up the city so that there could be an organization of actual services. I do not think it has been determined yet how or if they are going to divide the city up for the purpose of district health councils.

Mr. Chomiak: Is it still a vision that the city will be divided up into district advisory health councils?

Ms. Hicks: I think there is the model of dividing the city up in a manageable way through the neighbour-

hood resource centres, and as they begin to work with that model then they have still to make the decision whether or not they want to go into district health councils or not. But there will be a similar mechanism of feed input to the regional health authority, which is what the district health councils were designed for. Obviously the design and organization of that has to be a little different for the urban setting as compared to the rural, but the intent is still going to be there in one form or another.

Mr. Chomiak: Can we have a time line on the organization of that?

Ms. Suski: We are just looking at the neighbourhood networks and there seems to be a large number. We are looking at all boundaries, looking at actually different boundaries for Education, Justice, looking to see if Health should be the same as those. We may start at a macro level and then work down to more of a micro level of networks.

Mr. Dyck, Acting Chairperson, in the Chair

The one thing that we want to do is we want to collect data on minute segments of Winnipeg and then we may put the data together and look at it in different ways. But for purposes of starting, we may start with actually less networks and build up later on.

Mr. Chomiak: I want to just return to another line of questioning in order to ascertain how the process might work. Last year in the Estimates it was indicated that a palliative care resource team would be established by the Department of Health. I am assuming that took place. A second point of information was, there is no doubt and the minister said publicly, and we have all recognized it, that there is a problem with the delivery of palliative care.

Third point is that there are studies relating to palliative care and palliative care delivery that have been undertaken by the Department of Health that have been published and exist. Ergo, the minister has indicated that there are going to be two levels of delivery of palliative care, so given that we have a pre-existing need, a recognition of a need for a program—programs on the shelf, as it were, if I could put it in those terms, and now the establishment of a long-term

care board, which presumably would deliver the home portion of the palliative care program—can we get some understanding as to where that process is at.

Mr. Praznik: I am going to have Ms. Hicks answer this, but just with respect to palliative care and my comments, I am sure the member would agree that there are some cases of individuals who are dying and need to be in an institution to do that, given the complexity of their case and that there is a recognition on their part that they are dying, the complications and the complexity of the case may require hospital care. It makes eminently good sense that the unit in which the hospital would provide that care would be one that would be providing it on a palliative care basis and take into account that the individual is dying with great complexity in their needs and that may be on the ability to die at home or it might not be the choice of the individual to die at home.

The traditional view of palliative care, in terms of home care, dying at home and supports, is probably the lion's share of any palliative care programming. But my comments—I just wanted to make it clear that there are two components to palliative care, that there are cases where people will still die in our hospitals and want the supports with doing it and have complexity that could not be managed in their community circumstances.

Hopefully the vast majority of people who need some care in the dying process will be able to get that in their own home through home care and other supports. But I wanted to just make it clear, my comment was reflective to bits of the need, to pieces of the need, and that the need should be met still in two different ways.

Ms. Hicks: There has been a palliative care advisory, or actually it is a terminal care advisory committee, that was established. It has representation from the government and organizations concerned with palliative care such as the Cancer Society, palliative care planning council, Manitoba hospice as well as MARN and the college. The intent was to look at it as a training pilot where there would be two to three individuals trained at St. Boniface in their palliative care unit and that there would be a training package and individuals trained to then implement a program in each one of the RHAs. This whole project was then to be evaluated so that all the participants completed a pre-

test and a post-test so that they could then look at the evaluation of the program.

There have been expert teams trained in eight of the regions so far, and they have proceeded to conduct workshops in their respective regions, and the whole process will continue and will also continue to be evaluated. It will link into the educational aspect linked with St. Boniface so that they will be the centre for the actual training. Then people will be trained and sent out to each one of the regions and retrained as needed.

Mr. Chomiak: So if I understand it correctly, within eight of the regions outside of Winnipeg, there is a training team available or that is working on the process and St. Boniface Hospital will become the centre of palliative care, if that is a correct way to put it, from an institutional and/or community basis. Well, what is the process for the city of Winnipeg from here on in then?

Ms. Hicks: A similar process will be linked in with the Home Care program to deliver palliative care, and there is a process that has been established with the Winnipeg Home Care and the Winnipeg Community and Long Term Care Authority, and they will be introducing that. St. Boniface has been used as sort of the training ground for the region so far, and then it will be linked in with both the hospital and the Home Care program so that there is a continuity of care in the palliative care area recognizing that some people may start in their home and have to be transferred to hospital or people who are in the hospital may prefer to have their last days in the home depending on what is readily available. Winnipeg Community Authority is in the process of gearing up to provide that kind of service.

* (1630)

Mr. Chomiak: So if person A is living in Fort Rouge for example and has reached a state where it is terminal, what is the process? Do they contact Home Care and Home Care will then co-ordinate with the acute care facility to determine whether or not the needs can be best met in the home or in the institution? What is the process today?

Ms. Hicks: The process so far is that Home Care is the access point. People can be referred not just from the hospital but also from the community or the Home Care

program. Home Care acts as the assessment body that can work with the palliative care group to determine where there is a space available and where there are resources available and where the person can most comfortably go.

Mr. Chomiak: Is that assessment body presently operating?

Ms. Suski: Yes, it is, but just to a very lesser extent. We hope to have the assessment conducted by a community case co-ordinator as part of the regional office palliative care consultation. With that assessment, then the client will be assessed whether they can actually remain at home, whether they have to access palliative care services and acute care or a long-term care setting or a hospice setting. So there is a total process, and we are just getting into the entire process. We are doing it on a very small scale at this particular time.

Mr. Chomiak: So, if I can understand it correctly, right now there is, in effect, a pilot in place, a limited pilot, that is co-ordinating this, and, at present, outside of the pilot, the existing systems are still kicking in, but—and this is my question—when do we anticipate to have in place a citywide program that would provide for the assessment and the options to be offered to the individual to allow for the total package or the continuum of care to kick in?

Ms. Suski: Mr. Chairperson, I would expect that this would happen in the very near future. At this particular time, we are sharing a joint proposal with the Winnipeg Hospital Authority, and both sides were looking at this between home care and the hospital authority because, as you know, palliative care is a continuum of care. So we have to make sure that we sort of cover all bases. At this particular time there is palliative care done in long-term care facilities, palliative care done in the hospice, acute care setting, and, to a minimal extent, in the home care setting. So we are trying to get the total range of services, and we hope to work on that as a priority. It is something that we are looking at very extensively with the Winnipeg Hospital Authority and actually the Cancer Foundation.

Mr. Chairperson in the Chair

Mr. Chomiak: You indicated that was one of their priorities. Is there a list of what the top three or four priorities are in your area?

Ms. Suski: Well, I think the very first priority is to get an inventory of all of our services in the Winnipeg Community and Long Term Care Authority; the second is to orient our board and our executive team; and I think, then, it is to look at working toward our regional health plan and all those things which should be done in a very short time frame.

Ms. Diane McGifford (Osborne): I wanted to ask the minister if the Long Term Care Authority is responsible for implementing the AIDS Strategy in Winnipeg.

Mr. Praznik: Thank you very much, Mr. Chair, for that question. One of the details that we are attempting to finalize with them from my perspective on the provincial AIDS Strategy is whether or not the WCA would be the home to operate—the best place to house the program for the entire province. We have used the Winnipeg Hospital Authority to run the whole provincial dialysis program because much of that service came out of the Winnipeg hospital system, so it made eminently good sense.

Just to understand, to ensure that the member for Osborne (Ms. McGifford) and I are talking about the same thing, the provincial AIDS Strategy, as I understand it, is to provide, in simple terms, one-stop shopping for people with AIDS so that they can access basically one program, which will be able to identify for them, or assist them with their housing needs, their income needs, their medical needs, their general care needs, so that they do not have to worry about going and making arrangements with a variety of programs, whether it be disability programs for income, whether it be housing issues, et cetera, so that they can have one-stop shopping—access a program maybe through a number of sites, but access a program—and then their needs will be arranged for and taken care of by the program. So there is some very good argument to be made that the program would be best housed, administratively, in the Winnipeg Long Term Care Authority.

The other point that was made to me in discussions I have had with those involved in the development of this

program is that the reality of service, although there are people with AIDS outside of the city obviously—and there is a need for certain services in other parts of the province, and those cannot be forgotten. But the tendency has been for much of the service delivery now to come out of the city of Winnipeg for a variety of reasons.

That is one of the things that we want to sort of sort out, whether or not it should be there or still housed provincially. The reality of it is the vast majority of services provided to people with AIDS are likely to come out of the pool of services that the Winnipeg Long Term Care Authority does provide.

Ms. McGifford: I was actually referring to the 1996 document. I think it was July 1996 when the former Minister of Health announced a provincial AIDS strategy which was promise, prevention, treatment, education, research for AIDS and for people living with AIDS, and also paid particular attention to the problems of aboriginal people and problems of the spread of AIDS on reserves. It also paid particular concern to the plight of women living with AIDS.

Now, it seems that this provincial AIDS Strategy has evolved since the original announcement, and maybe the minister could update me because I was not aware that it had evolved from the strategy announced in 1996 to the concept of the one-stop shopping that he was speaking about today.

Ms. Hicks: Mr. Chairperson, related to the strategy, I see the strategy broken into three sections. One is the appointment of an advisory or implementation committee. Two is to get the various stakeholders co-ordinated and begin to organize the service, and three is to continue with some of the research that we have been doing in the province.

I am not all that familiar with the terminology and the nature of the research. I just know that we have done two or three fairly major projects through our public health lab, and I can certainly make those available. I just do not have them here.

As far as the implementation of the stakeholders, the provincial government, the federal government and the HIV community have been meeting and I think are at

the point within the next five or 10 days of appointing a co-ordinator to begin to consolidate and co-ordinate some of the programs. So that is well underway and we hope to have a co-ordinator within the next few days.

The implementation committee is getting close to being struck, and we anticipate that we will have members of that identified probably within the next six weeks.

Ms. McGifford: At the risk of being impertinent, it does seem that it is nearly two years since the strategy was first announced, and I wonder if the minister could explain why it has taken so long and perhaps provide a few more details of the process, including persons from the community who have been involved in this process.

Ms. Hicks: Mr. Chairperson, the people who have been involved have been sort of all the stakeholders in the AIDS community. I can get you a list, but it is Kali Shiva and the hospitals and the nurse co-ordinators, Village Clinic and some of the other members of the AIDS community; all of the members, actually, who basically contributed to the development of the report.

It has been a highly collaborative process, and consensus has been a challenge, and I think that we are getting very close to making some real progress in this area.

Ms. McGifford: Actually, I was in another life part of the process, so I know it was collaborative, and I know that a lot of people had great faith in the strategy. Again, at the risk of being impertinent, I know that some people have felt that their faith was misplaced and felt quite undermined, so I will be looking forward to the development of this strategy. I appreciate that some progress has been made.

* (1640)

I am assuming then the stakeholders would be groups like the Village Clinic, Kali Shiva, the aboriginal AIDS Task Force, the AIDS hospice people, people who have provided services who see themselves as AIDS service organizations.

My understanding is that most of these organizations, with the exception of the Village Clinic which is more

medical in its orientation, have survived basically on money from the federal government under the ACAP grant, and I wonder if the minister could advise me, if he knows, the status of ACAP monies and when they will be running out and if AIDS service organizations will be left high and dry at that time or exactly what the relationship with his department might be.

Mr. Praznik: Mr. Chair, the member asks an excellent question on the status of federal funding, and my staff advise me that they have not had a word one way or another on this from the federal government, which does not surprise me and certainly does concern me. One of the issues, and truly I ask this very sincerely—I appreciate the member for Osborne in another life had been involved in advising in this particular area, and I do offer this opportunity very sincerely to her. We have to struggle—part of what I have been briefed on and the work that has been done that I have inherited is to ensure that we have a one-stop shopping approach to support people with AIDS in terms of the care component and that it is important to make sure it is effective, that it is tied in with Family Services, it is tied in with Housing, it is tied in with other related departments who would provide services to people who do suffer from AIDS. If federal dollars start to run out as they may, because we certainly have not seen any interest in the federal government putting more dollars into health, how we consolidate those programs into something that is financially manageable by us as a province is part of that issue.

Housing it within a health authority that has the administrative structure to manage it and co-ordinate resources and work with others is from my observation certainly worthy of consideration, and I do look to her comments because she does have more experience in working in this area than I. If she has some thoughts or comments to offer on how we should actually, where we should actually house this kind of effort, I would be more than pleased to entertain those because we are going to boil down to a decision in the not too distant future about whether it should be a provincial program administered through the WCA, who would then provide services by contract with regional health authorities across the province, or we keep it directly in the Ministry of Health. I just ask her, in her thoughts on this matter, to appreciate that with the change to regionalization, the Ministry of Health has very few

service programs that we still deliver, and that is one of my dilemmas is I do not have that expertise.

We are becoming by and large accounting, policy, standards section. The provincial programs that we will still deliver in addition to sort of the public health, immunization, communicable disease, public health information of a provincial nature—most of our programs that we will continue to deliver are really financial ones in terms of insured benefits, those types of things, Pharmacare which is not really delivery of service but the delivery of paying for our product. So I am of the view today that giving the WCA this responsibility for the province is administratively—we should be looking at it very strongly. I would appreciate comments from members' opposite, particularly those who come from constituencies where they have a large community who rely on these services.

Ms. McGifford: I appreciate the minister's faith, but there are experts out in the community who are much more apprised of what they need than I am since I have not been involved intimately with that community for some time. I am sure that the AIDS service organizations, who are delivering service and caring for people living with AIDS, would be absolutely delighted to be consulted and would be able to give the minister some very sound advice.

I understand what the minister said about the WCA, but I wanted to go back to the question of ACAP money for a minute. My understanding is that most of the ACAP money will run—probably did run out on the 31st of March, 1998, but there might possibly have been a year's reprieve. So there was bridge money for one year, and at the end of that year the AIDS service organizations would be looking for monies to support their activities and the work that they do.

I wonder if the minister could tell me if his department or if the WCA has received any submissions from the AIDS community requesting monies to fund their activities.

Ms. Hicks: Mr. Chairperson, I think we can certainly get any dates that might be attached to the federal dollars. I am not quite certain on that, but we can provide the member with that information. One of the

reasons that we are looking at this consolidated approach is in the event that we do have a reduction in federal money, then we need to get our services in this city co-ordinated, organized and collaborated upon so that we have one single program and know what the actual dollars need to be. Then we have indicated to the AIDS community that we could entertain proposals or at least look at what additional resources may be required once we have a collaborative approach, but at this point in time we are not looking at proposals from single organizations. We are waiting until we have this more collaborative approach before we make any decision there.

Ms. McGifford: My concern with that is if money is running out or has run out and there is not any bridge funding, then many of the organizations that are currently in the community caring for people living with AIDS will not be in place because they will have dissolved before too long. So, I wonder if the minister could respond.

Mr. Praznik: Mr. Chair, that is the whole reason, I guess, for the one-stop shopping consolidation bringing in the resources of our existing care group, because we will not—if the federal government pulls out of this money we will not—I say this today—be in a financial position to backfill them. Plain and simple. I will not have those resources. Mr. Axworthy, who is our lead federal minister, I would hope would be fully aware of that and be lobbying his colleagues to ensure that those resources continue.

We certainly talked about that with Mr. Rock from time to time in our discussions, and we will continue to make that point with the national government, but we do not have the resources to backfill what the federal government is doing every time they walk away from them. So if they in fact walk away, it will leave us looking to find out how do we manage all of those services in a more efficient way that we can afford. I would say to the member for Osborne that, if she were to say, well, you are still going to have those people to deal with, she is absolutely right. We will have to deal with them, and that is why we are sort of taking those steps now to see if we can deal with them on a one-stop shopping manner in an efficient way.

What will not be in that package, and I do not want to use the term “luxury” because I would not say it is a

luxury, but with federal government dollars you are able to see a greater variety of care providers, and you have a more diffuse delivery system. We will not be able to afford that without federal dollars, so that is what we are already preparing. That is part of this effort is how do you manage and meet the needs of those people, and is it efficient a manner as possible meeting their needs. But to support a myriad of organizations, we just do not have the resources to backfill. I wish we did, but we do not.

So it is going to be a struggle. I do not have a magic answer for it. I know the member is not asking for one, but it is of concern, and that is part of this process. I would speculate that I think that those various organizations recognize that they are extremely vulnerable with federal dollars being there and that there are not the resources to—

Mr. Sale: That is an understatement.

Mr. Praznik: Yes. The member for Crescentwood says it is an understatement, and I know that exactly. They live by a thread in not knowing where things are going to be, but we just do not have the resources to backfill everything the federal government walks away from.

Ms. McGifford: The minister's comments on vulnerability are interesting. I know that when I worked in the AIDS community we felt vulnerable when it came to federal money, but we felt bereft when it came to provincial money, because I am not aware that one AIDS service organization, with the possible exception of the Village Clinic, which delivers medical services, received one nickel from this government to carry out its mandate. I just wanted to put that comment on the record, because I certainly—as I say, in our organization we felt deserted by the provincial government. I also know that during the time that I worked in the AIDS community I once made a proposal to the then Minister of Health, the member for Brandon West (Mr. McCrae), and did not even receive the courtesy of a letter acknowledging that submission, which took me at that time a couple of days of work. So I just want to put that information on the record. I know the current minister cannot be blamed for the sins of the former minister.

* (1650)

What I do want to ask the minister is: I am assuming then that the plan is to create a single organization in a single facility that would include the Village Clinic, the aboriginal AIDS Coalition, the AIDS Shelter Coalition and Kali Shiva. I have two questions. First of all, have these groups been consulted? Do they like this idea? And secondly, is this the initiative or the agency that may then take the title AIDS Winnipeg?

Mr. Praznik: Yes, I am going to have Ms. Hicks answer the specific details of who has been consulted in the process, but I want to say this to the member for Osborne: it is very easy in any particular area to say the Province of Manitoba has not been there funding the various support and service organizations, but you know when it comes to the delivery of actual health care services, of Pharmacare, of all the kinds of medical and health supports that are required within the existing system, the province has been there.

You know, the federal government always rides in or tries to ride in like the champion knight on the charger with the shining armour to say we are bringing some money to fund support groups, and then they walk away. Now I know the member is not defending the federal government, nor should they be defended in what they have done, but my point is this: time and time again in a whole variety of areas of illness or new illness that we face, the provincial taxpayer ends up having to pay because of the way the federal funding formulas now work. These are new additions at the margin. We pay 100 percent of the cost, and our resources are strained. Our resources have that pressure, and we meet that need.

That particular funding situation—I am not blaming the member for Osborne for it—that reduction in federal support, in terms of a percentage of what we spend, the recent federal budget where there was no new additional money for health care from the federal government, where they continue to offer dollars in specific areas and say are we not the heroes, and then walk away from them and leave the province being criticized for not picking them up, and I am not talking about anything the member said, but the criticisms will be there—all forget that the provinces are the ones who provide, by and large, basic health care and that is at a

huge cost, and we struggle to move resources from the institutional side to the home care side to the community side. That is part of what this is to be, and that is why Ms. Suski's organization is likely to be the place where this is housed if that is where there is a consensus.

But I do want to defend this administration for—there is a reason why we are spending \$1.8 billion, \$1.9 billion, \$2 billion on health care, as opposed to \$1.3 billion 10 years ago. It is because we have been meeting those health care needs, maybe not as well as some would like, but it has robbed us of the luxury of having extra dollars to be able to put into a myriad of organizations, that I say to the member, sincerely, I would love to be able to fund. I have those requests come to me regularly but I just do not have the resources, nor do we as a province, to do that. So I think we have a common cause, in terms of our view of where the federal government should be, and any dollar that they can put in this program is one more dollar spent in the area of health that they are not spending today. Ms. Suski or Ms. Hicks may have some specifics they want to add with respect to the committee and the consultation.

Ms. Hicks: Mr. Chairperson, the member is right in that we are looking at the various groups coming together. In actual fact, the development of a new organization or a collaborative organization was a recommendation that came directly from the various groups. Now the intention is to determine what the new organization is going to look like, and that is the task in front of them now. I do not think there has been any determination of the final name, or even where it is going to be located, or even if it is going to be located in one single area. There may have to be a number of sites, but those are the kinds of things that the implementation team has to look at.

Ms. McGifford: Then my understanding is that these groups have come together. They are meeting with somebody from the Long Term Care Authority, and I wonder if that is correct, if the minister could tell me who is chairing this project.

Ms. Hicks: The involvement of the WCA is just about to start this week now that they have an individual on staff who will be looking at this. That individual will

work with the committee that is already looking at the identification and choosing of a co-ordinator, and then I guess, the ongoing implementation committee will be determined out of that group.

Ms. McGifford: Well, it is a little unclear to me. Have representatives from the specific health, pardon me, from the AIDS service organizations, come together and met with somebody from the Winnipeg Care Authority? Could I ask who is chairing that group, or co-ordinating, whatever?

Ms. Hicks: Mr. Chairperson, the group—I am honestly not certain who the chairperson is. They have come together with Manitoba Health, the province, the federal government and representation of the stakeholders or various AIDS groups have come together to meet—to get the co-ordinator. Then that group is now going to be linking in with the WCA, and how that is going to end up, I am not sure. They are in the process of discussions, right now.

Mr. Praznik: We can endeavour to have Pat Matusko, who is our provincial AIDS strategist, attend another session, and then we can perhaps get the specifics for the member for Osborne.

Mr. Chairperson: Order, please. The time being five o'clock, it is time for private members' hour. Committee rise.

RURAL DEVELOPMENT

Mr. Chairperson (Marcel Laurendeau): Would the Committee of Supply please come to order. This section of the Committee of Supply has been dealing with the Estimates of the Department of Rural Development. Would the minister's staff please enter the Chamber at this time.

We are on Resolution 13.6. Rural Economic Programs (b) Rural Economic Development Initiatives (3) Programs - Operating.

Mr. Clif Evans (Interlake): I just want to ask the minister: Can he explain what the strategic initiatives are? Then it says provides the grants under Strategic Initiatives. Can he just explain that a little bit.

Hon. Leonard Derkach (Minister of Rural Development): From time to time there are projects that come forward that do not exactly fit the mould that has been cast within the other programs, and so therefore, under the Strategic Initiatives program, it gives us some flexibility to allow for support to initiatives that still qualify under the general parameters of the REDI program but are unique in nature, and perhaps there is not one just like anywhere else in the province that one can model after. So, basically, that is what the component is for. It is to be able to have communities come forward with projects that are unique but are strategically important to that area of the province, and so it allows our department to be able to support them.

Mr. Clif Evans: I thank the minister for that and I just want a final comment on that line and let the minister know that certainly one part of the program under the REDI program—or two parts—The Green Team program and the Junior Achievement, that we certainly support on our side.

Mr. Chairperson: Item 13.6.(b)(3) Programs - Operating \$7,742,300—pass; (4) Programs - Capital \$5,727,700.

Mr. Clif Evans: In reading through this, through the page, is there the natural gas issue itself under Capital Programs as a department and whatever resources the rural department is providing into the natural gas issue and the co-operative that has been formed besides the feasibility study that was done and a 50-50 grant was provided through the REDI program? Is any of this resource targeted at all for any future natural gas development in the Interlake area?

Mr. Derkach: The two projects that we have been pursuing over the last year, and in one case much more than that, is the gasification of the Swan River area and the other one is the Ste. Agathe-La Broquerie area. We are also working with the Interlake Natural Gas Co-op, I guess it is, but that particular project is still in, I guess, its development stages and will require some work before it becomes a reality, so I cannot say at this time whether or not there will be any funds expended for this project this year.

We are meeting with the Interlake group in the next couple of weeks and we will be able to ascertain how

quickly they are proceeding from their end with regard to the development of the project.

* (1440)

Mr. Clif Evans: It is my understanding, brought to my attention that there is an open forum meeting re the natural gas issue in Teulon on Thursday, I believe, Thursday evening, and I notice that staff will be present at that.

I must say that I want to encourage this development even though there are some problems right now that they are facing in different municipalities. I think they are doing an admirable job in making sure that everybody that has questions are being provided with the necessary answers. This being such a large program that we are initiating here or undertaking, I should say, certainly needs to be well addressed, and hopefully the government will be able to provide as much support and information and hopefully some resources for this project down the line. It will be a tremendous boost for those in the constituencies or in the jurisdictions, municipalities, that the proposals are there for and certainly hopefully that we can finally achieve what we have been trying to achieve now, I would say, for eight or nine to 10 years, and that is gasifying that area. Hopefully everybody will be satisfied when the initiative does go ahead or is finalized and that they have the support of this minister and this government.

Mr. Derkach: Mr. Chairman, we are supportive of the expansion of natural gas to rural communities, and we work as co-operatively as is possible with Centra Gas and with our local communities. It would be far easier for us to extend these services if we had the complete co-operation of the federal government for the extension of these services, because that is a fairly important investment in our province, and we do as often as we can try to capitalize on those infrastructure dollars so that we do have the partnership of the federal government, Centra Gas, and the community before we proceed.

Mr. Chairperson: Shall the item pass? The item is accordingly passed.

13.6.(c) Unconditional Grants - Rural Community Development \$6 million.

Mr. Clif Evans: Just one question on this. Is the formula still the same as in previous years, per capita, or \$5,000 per community and then per capita, and what is the rate or the amount given now per capita?

Mr. Derkach: Mr. Chairman, I do not have the dollar amount for the formula, but I can tell the member that the formula has not changed. We still allow for the \$5,000 per community, and then there is a per capita grant for them. The formula is the same, but it is in and about the same figure as it was last year. Okay, for 1997, the per capita rate was \$12.33.

Mr. Clif Evans: So, if I remember correctly, I believe that rate now has increased around \$3 over the past four or five years that we have had this program in place. Will the minister indicate whether they are planning on providing for the '98 year increasing that by any percentage at all?

Mr. Derkach: Mr. Chairman, since 1993 the program has more than doubled. In 1993 we paid out \$5.70 on a per capita basis. By 1997 it was \$12.33. In 1998, we anticipate that the program will add another dollar per capita to the payout.

Mr. Chairperson: Shall the item pass? The item is accordingly passed.

Resolution 13.6: RESOLVED that there be granted to Her Majesty a sum not exceeding \$21,000,000 for Rural Development, Rural Economic Programs, for the fiscal year ending the 31st day of March 1999.

We will now move on to Resolution 13.7. Item 13.7. Expenditures Related to Capital (a) Transit Bus Purchases \$180,000.

Mr. Clif Evans: Just one question on this. The program is geared for Brandon. If I am correct on this, it is specifically for the city of Brandon. Are there any other communities that the department is looking at or that have applied for this type of support under this program?

Mr. Derkach: Mr. Chairman, the transit program actually supports three communities, Brandon, Thompson and Flin Flon. The capital side of the support goes to Brandon only, and then there is \$80,000

of the \$180,000 which goes to the mobility transit program. So it is \$100,000 of capital to Brandon and \$80,000 to the mobility transit program.

Mr. Chairperson: Shall the item pass? The item is accordingly passed.

Item 13.7.(b) Water Development \$944,100—pass; (c) Sewer and Water \$3,910,000.

Mr. Clif Evans: Mr. Chairman, under this part of the program, can the minister indicate how many communities will be eligible for support under this grant?

Mr. Derkach: Mr. Chairman, we can add the numbers of communities up who have applied for the program, and I can tell you that it is a fairly extensive list, but I would say that every community in Manitoba is eligible for the program, and they apply based on their needs. They also submit a five-year capital plan, which gives us some idea of what is required over the course of the next five years. These projects are prioritized based on what the most critical ones are that have to be addressed, and then we fund them in that way. I can have a number for the member, but it will take us a little while to do that.

Mr. Clif Evans: Mr. Chairman, I certainly appreciate that. If the minister could just provide me on paper a bit of detail on some of the projects that are going to be undertaken under this, I would appreciate that.

Mr. Chairperson: Shall the item pass? The item is accordingly passed.

Item 13.7.(d) Canada-Manitoba Partnership Agreement on Municipal Water Infrastructure \$800,000.

Mr. Clif Evans: Mr. Chair, if the minister could just—and I have no problem with this program whatsoever, just a little bit more on the explanation, if he could just go a little further to explain the PAMWI grants from \$4 million down to \$1 million? I know it says projected cash flow required to complete this program in '98-99, but why such a major reduction?

Mr. Derkach: The PAMWI program will be finished at the end of this year. We have two projects that are

being completed this year, and that is Brandon and Portage. This is why there is only \$1 million allocated this year, because that is all that is required to complete the program.

Mr. Clif Evans: Will the program have to be revitalized as far as application for funding and as far as for any future agreements for infrastructure under the PAMWI agreement? Will we be looking at the agreement and the program continuing?

* (1450)

Mr. Derkach: In discussion with the federal government now to see whether or not they are prepared to enter into another infrastructure works program like PAMWI, or similar to PAMWI, we have not received any definitive answers from the federal government people at this time, but we will certainly continue to pursue that.

Mr. Chairperson: Item 13.7. Expenditures Related to Capital (d) Canada-Manitoba Partnership Agreement on Municipal Water Infrastructure \$800,000—pass.

Item 13.7.(e) Conservation Districts \$2,450,000—pass.

Item 13.7.(f) Downtown Revitalization, zero.

Mr. Clif Evans: I guess more of a comment than a question. I mean, I know the minister had indicated last year was the last of the program. I wonder out loud, why? I made comments on this program in previous Estimates that I believe it is a very good program to have and initiative to have, and I wonder if this minister and his department would not be looking at revitalizing the Downtown Revitalization program with some funding for the future?

There are a lot of communities right now that through their economic development and through the initiatives that they are putting through, I know a program such as this that worked very, very well during the mid-'80s when it was there; as a matter of fact, I saw first-hand of it in Killarney, Manitoba, the Downtown Revitalization program. It was a tremendous boost for that community and others that were involved in that program, and I wonder whether the minister and his

department and government will be looking at a similar program to continue or some other type of a program that will help our small community towns and villages.

Mr. Derkach: As the member knows, we are prioritizing all of the kinds of initiatives that come forward, and one that is of priority is natural gas to communities. Another one, of course, is the whole infrastructure redevelopment program that is taking place across the province. So, given the scarce number of dollars, we are trying to allocate them as prudently as we possibly can.

The Downtown Revitalization program has been an important one. We were participants in the Thompson Downtown Revitalization program and in the Brandon one. These two programs have concluded now, but certainly their impact was very positive in those two communities. Down the road, certainly, we would be looking at reinstating something like the Downtown Revitalization program as communities come forward with their requests and their needs, but at the present time we are trying to focus our attention on those critical needs which are basically infrastructure development and natural gas extension to communities.

Mr. Chairperson: Shall the item pass? The item is accordingly passed.

Item 13.7. Expenditures Related to Capital (g) Infrastructure Development \$8,337,700. Shall the item pass?

Mr. Clif Evans: Mr. Chair, no real questions on this. I can see part of the proposed plans for this infrastructure development and its funding and what its expected results are on this, and I look forward to being kept within some sort of knowledge as to how these different programs that the department has indicated here will be continuing and how well they will be going and whether there will be any concerns that we may raise at a later date on this.

Mr. Derkach: Mr. Chairman, this program basically addresses the needs of large infrastructure development projects which are happening in the province. As the member knows, today we turned sod for the Maple Leaf facility in Brandon. There is going to be some infrastructure work that is going to be required at the

site, and this is the area that we address those types of works. Canadian Agra, as the member knows, was part of this, McCain, and now we are into it with Maple Leaf. So it is an important component of our program and one in which we address some of the larger projects that come our way as a result of, I guess, companies looking at Manitoba as an attractive place to invest.

Mr. Chairperson: Shall the item pass? The item is accordingly passed.

Item 13.7. Expenditures Related to Capital (h) Less: Recoverable from Rural Economic Development Initiatives (\$4,377,700)—pass.

Item 13.7.(j) Less: Recoverable from Capital Initiatives (\$4,000,000). Shall the item pass?

Mr. Clif Evans: Mr. Chairman, this \$4 million is tied in with your infrastructure development plan or is it something a little different?

Mr. Derkach: Mr. Chairman, under the Minister of Finance, a special capital initiatives program, I guess, was established from which we draw for projects like the Dauphin water treatment. So when we enter into projects of that nature, we are then able to recover our expenditures from that source.

Mr. Chairperson: Shall the item pass? The item is accordingly passed.

Resolution 13.7: RESOLVED that there be granted to Her Majesty a sum not exceeding \$8,244,100 for Rural Development, Expenditures Related to Capital, for the fiscal year ending the 31st day of March, 1999.

We will now return to Resolution 13.1. and the Minister's Salary. At this time we thank the staff of the department for their assistance, and we ask you if you could please leave the Chamber.

Mr. Clif Evans: Mr. Chairman, I, too, would just like to express my thanks to the minister's department people for the four days that we have been dealing with the Estimates and look forward to working with them in the future. Thank you very kindly.

Mr. Chairperson: When you have staff like that, you cannot go wrong.

Shall the item pass?

Mr. Clif Evans: Mr. Chairman, prior to our further discussion or decision on the Minister's Salary, I just want to put on record that we on this side, and I know that my rural members, some that are present—and the minister can say what he might—support a lot of the Rural Development initiatives that are happening and that are part of the Rural Development department. There is a lot of economic hope in rural Manitoba, and we will work with the minister within this department to enhance and better provide the opportunity for rural economic benefits and for all the projects, whether it be water, whether it be water and sewer, whether it be industrial projects as such, and we hope that we receive co-operation and work with the minister with some of these programs. Also, I just want to, again, say to the minister that I have had many opportunities to work with his department people and certainly have had absolutely no problems. They have been excellent to me, as they have been to other caucus members on this side.

* (1500)

Mr. Derkach: Mr. Chairman, I thank the member for those comments. Certainly my department's goal is to try and ensure that every opportunity possible is given to rural communities to enhance their state in life and to be able to sustain themselves and to continue to grow. As minister, it is my responsibility to encourage and to lead that effort. I thank the member for his co-operation over the last year because he has been co-operative in many areas, and we certainly do appreciate that. Thank you.

Mr. Chairperson: 13.1. Administration and Finance (a) Minister's Salary \$26,300—pass.

Resolution 13.1: RESOLVED that there be granted to Her Majesty a sum not exceeding \$1,394,000 for Rural Development, Administration and Finance, for the fiscal year ending the 31st day of March, 1999.

This concludes the Department of Natural Resources. We thank the minister and the critic for their time.

An Honourable Member: Rural Development, Sir.

Mr. Chairperson: Rural Development. Is that not what I said?

An Honourable Member: You said Natural Resources.

Mr. Chairperson: I am sorry, Rural Development. I apologize to the minister for that.

We will now move on to the Department of Education.

EDUCATION AND TRAINING

Mr. Chairperson (Marcel Laurendeau): Will the Committee of Supply please come to order. This section of the Committee of Supply will be considering the Estimates of the Department of Education and Training.

Does the honourable minister have an opening statement?

Hon. Linda McIntosh (Minister of Education and Training): As Minister of Education and Training, I once again look forward to this year's Estimates process, and I trust the focus will be on challenges and opportunities facing our education and training system. Despite significant federal cutbacks, which will continue to have an impact for a number of years, the spending level on education is second only to health in this province. Education remains a key priority of this government.

It is important to note that quality of our education and training system is not determined solely by how much money we spend but also on how wisely and prudently we spend it. We must strive for excellence in education through cost-effective measures. This government's commitment to excellence, accountability and efficiency will be reflected in my 1998-99 Estimates.

* (1510)

This government has set a clear direction for Education and Training which will be demonstrated in

the Estimates process; therefore, I will reiterate the department's mission, guiding principles and priorities which are the basis upon which resource allocations are made.

The mission of Education and Training is to provide access to relevant education and training that is of high quality, affordable, available and responsive. This will enable Manitobans to develop their individual potential and continue contributing to the economic, social and cultural life of Manitoba in a global context. In carrying out this mission, the department continues to be guided by the principles of excellence, equity, openness, responsiveness, relevance, integration and accountability.

For this coming year, Mr. Chairman, I am committed to (a) furthering education renewal with its emphasis on foundation skill development, standards and evaluation, school effectiveness, parental and community involvement, learning technologies and teacher education; (b) enhancing partnerships with my education and training partners; (c) providing the public with more and better information; (d) improving accessibility to our post-secondary institutions; and (e) strengthening linkages between Education and Training and the province's economic and social development initiatives.

In 1998-99 my department will continue the implementation of initiatives for comprehensive far-reaching renewal of the province's education and training systems. I have listened to parents, teachers, students, administrators, the post-secondary education community and taxpayers, and I have instructed my staff to incorporate their concerns and needs into our 1998-99 operations. I look forward to continuing along the path of education and training renewal with our educational partners, as I strongly believe that Manitobans are greatly benefiting from the enhanced opportunities being made available to them.

In terms of elementary-secondary initiatives, I am very pleased that my government is able to allocate a 2.2 percent increase or an additional \$16.7 million in funding to Manitoba's public schools this coming year. This brings the total to \$761.6 million for public schools for 1998-99. Through consultation with our education partners, we were able to make some

important changes to the funding model which I believe will greatly assist many school divisions.

In order to better facilitate the use of technology within our schools, I look forward to the results of an important initiative by the Council on Learning Technologies which is working with my department, K to Senior 4 representatives and post-secondary institutions to articulate a strategic planning framework for information technologies throughout Education and Training. Additionally, an important part of implementing technology is a foundation skill in K to Senior 4. A newly developed document entitled Technology as a Foundation Skill: A Journey Towards Information Technology will be used as a basis for continued work on integrating technology literacy into K to Senior 4 curricula and will be shared with schools to assist in their planning.

The newly introduced information technology grant will provide school divisions with an additional \$1.8 million towards meeting the technology needs in our schools. My department will continue to support the Computers for Schools and Libraries Program in Manitoba, enabling it to provide more used, refurbished computers to schools and to upgrade some of these to multimedia capable levels.

Over the past number of years, my department has been made aware of the situation concerning the province's aging schools, and I am pleased to say that in addition to the \$29.6 million for the regular Capital Support Program for schools, starting in 1998-99, a new three-year Aging Buildings Program has been approved at \$30 million. In addition to making schools more effective and appropriate for today's delivery of education, this program is expected to generate more than 1,000 construction jobs across Manitoba.

To ensure success for Manitoba children and youth, my department continues to develop a world-class outcomes- and standards-based curriculum. I strongly believe that our children need a high-quality education which will equip them to be competitive in our rapidly changing world, and I further believe that it is my responsibility to ensure that this occurs. Curriculum initiatives for 1998-99 will focus on continued development in Senior 3 and Senior 4 mathematics and language arts in both official languages. In the '98-99

school year, new curricula for Senior 2 mathematics and language arts will be phased in system wide. As well, with the release of the Pan-Canadian Common Framework of Science Learning Outcomes, kindergarten to Grade 12, Manitoba has begun development of a framework for kindergarten to Grade 4 science. Work is also proceeding on the development of a common curriculum framework for social studies with Manitoba as the lead jurisdiction for the English component of the Western Canadian Protocol project.

In recognition of the education and training needs of Manitoba's aboriginal communities, my department has allocated additional resources to the Native Education Directorate and has increased its prominence within the education and training system. An Aboriginal Education and Training Strategy has been developed which will guide the department, our schools, and stakeholder organizations to increase aboriginal high school and post-secondary graduation rates, labour-market participation and partnership development. Additionally, my department will be developing curriculum frameworks for Cree and Ojibway language instruction.

I am aware that there are a number of Manitoba children who enter elementary school with poorly developed reading readiness skills. In recognition that dealing with reading problems in the early stages is much more effective than remedial programs in later years, I have announced a new grant program of \$2.7 million for early literacy intervention programming for Grade 1 students, and I am excited for the children that will be served.

Early in the new year, I am looking forward to receiving and reviewing the report and recommendations from the review of special education. I am hopeful that the results can be used to improve the effectiveness and efficiency of special education in Manitoba, to ensure all students are able to apply their full learning potential.

Across Manitoba, elementary secondary schools are known to be vital components to community cohesion and continuity. As part of education renewal, my staff will continue to work with schools to develop school plans as a means to empower local communities to better respond to their own education needs, while at

the same time serving to enhance overall division-based decision making. I look forward to working with schools and their planning endeavours, and in facilitating linkages between the planning that occurs within the schools, at the school division offices, and within the department. Through this process, I believe we will achieve a coherent, effective, and accountable education system across the province.

The availability of relevant and accurate information that our education and training systems continues to be important. As renewal initiatives take hold across the province, it is incumbent upon the department, post-secondary institutions, training centres, school divisions, and schools to work together to evaluate the effectiveness and efficiency of policies and programs.

For 1998-99, I have established an inter-organizational committee to advise me on the development of utilization of education indicators, as well as creating a unit within the department, to take the lead in this work.

In terms of post-secondary and training initiatives, universities and colleges continue to play an increasingly important role in preparing our youth for future job opportunities. Even though the impact of federal cutbacks continues to affect Manitoba's post-secondary education, I am pleased to say that our government has directed increased resources to both the universities and colleges for this coming year. Government support now stands at \$227 million for universities, and \$59 million for colleges.

For 1998-99, Manitoba's universities are receiving an increase of \$8.9 million in operating grants, and our community colleges, \$1.1 million. Over \$11 million has been allocated for capital projects on our university campuses. Additional funding allocations have been targeted for a new nursing building, and replacement of the Chiller System at the University of Manitoba.

* (1520)

As announced in the throne speech, I am pleased to say that access to post-secondary education is being improved by providing significantly enhanced and better targeted overall financial assistance for post-secondary students and recent graduates. Our

government will be introducing a new interest relief and debt reduction program, greatly enhancing the Scholarship and Bursaries Initiative, and working with the federal government to harmonize the national and provincial student loans programs.

I believe that the provision of these direct supports to students, which total over \$6 million, will provide Manitobans with ready access to training and post-secondary education, so that they can contribute to, and succeed in making, Manitoba a vibrant province with continued economic growth and social development.

To further enhance access by students in rural and remote areas of the province, the universities' First Year by Distance Education program will continue to expand its coverage in the coming year.

Within the Training sector, government continues to maintain its commitment to youth programming. Linkages between government departments are being strengthened to ensure that youth employment programs offered by the government operate under common criteria and objectives in order to offer a more effective and comprehensive service to Manitoba's youth. Over the next several months, all senior schools and a variety of youth agencies will be able to access the Career Explorer Internet site which has been developed in partnership with HRDC. School guidance counsellors will receive training to help them integrate this resource into existing curricula. The site will include a customized Manitoba daily news service and profiles in over 700 careers.

In partnership with business, industry and the federal government, my department continues to facilitate expanded training and employment opportunities for Manitobans. For 1998-99, the province's Workforce 2000 program will expand its partnerships with industry and business to identify workplace training needs and develop appropriate responses.

In partnership with the Department of Family Services, my department will be working to create an integrated training-employment services approach for unemployed Manitobans. In response to the Labour Market Development Agreement signed this past year with the federal government, Manitoba is now responsible for Employment Insurance funded labour

market programs as well as for a variety of the previous national employment services, for example, employment counselling and labour exchange. An alignment of delivery services is being developed to create a one-stop training employment continuum approach in Manitoba. This process was begun this past November with the transfer of program responsibility, funding and staff.

In recognition of the Apprenticeship Task Force Report and the need for a highly skilled and technologically competitive workforce, Manitoba's apprenticeship system has been expanded for 1998-99. This expansion includes an additional \$550,000 for the purchase of training seats from colleges and \$450,000 for marketing and training equipment and program development in the training institutions. I believe that this investment will position the apprenticeship system to work with business, industry and the training institutions in support of Manitoba's economic development strategy.

In support of our government's recently enacted legislation on sustainable development, I am pleased to state that my department will be holding consultations throughout the province over the coming months to solicit input to a sustainable development education strategy. I am excited about this project as it will lead to an increasing understanding of the role Education and Training have in promoting a prosperous and sustainable future for all Manitobans.

In conclusion, Mr. Chairman, the department must be both a leader and a partner in carrying out its mission and successfully completing its initiatives. This involves balance, local autonomy balanced with provincial direction, a need for flexibility balanced with the need for consistency, change balanced with maintaining existing strengths and striving for excellence balanced with the need for practical considerations. This is a challenge that I and my department continue to accept. Through working with our education partners, Manitobans will have the education and training systems they deserve, systems which carry them to and beyond the millennium. I look forward to the Estimates review and the comments and helpful questions from the honourable members opposite. Thank you very much.

Mr. Chairperson: We thank the minister for those comments. Does the official opposition critic, the honourable member for Wolseley, have an opening statement?

Ms. Jean Friesen (Wolseley): Mr. Chairman, yes. I thank the minister for her statement, and to indicate as opposition we intend to be asking a number of questions about these Estimates. We hear from citizens of Manitoba who continue to have serious concerns about the education system in this province, both at the K to 12 level as well as the post-secondary and private training areas.

The minister has indicated that the government believes that it is using wisdom, prudence and efficiency in the administration and allocation of these resources, and we certainly intend to look at those criteria in examining the minister's explanations of the Estimates of her department.

We know that there are many, increasingly in rural Manitoba, some very serious concerns about education and linked in people's minds with the role of the local school in the survival of communities, as well as the role of post-secondary education in the ability of some communities to survive and of the opening of opportunities to all Manitobans. We have heard increasingly from rural Manitoba about issues of fairness in funding and about their fears of growing inequities across the province and the ability of schools to provide equally for all of their students.

We have heard concerns about technology, and the minister has indicated she will be talking about that at greater length. We look forward to that, look forward to hearing the proposals of the Council on Learning Technologies and to seeing the strategic plan that I assume the minister will be tabling from that council, because it is in the technology area that many parents have come to rest their concerns and their anxieties about the future for their children.

They are concerned about the inequities that are growing in Manitoba, of the availability of technology through partnerships that are available to some schools but not to others, about the inequities that are there in the use of computer technology to those parents who can afford to provide computers at home compared to

the majority in Manitoba who cannot provide those. They are looking at the inequities of schools which can afford to remain open and to provide computer services to parents and to enable them to learn with their children, as well as to the community, and those schools which cannot.

The inequities that are coming in provincial libraries, for example, in fact have been growing, and the opportunities that libraries across the province also would like to have to provide for the learning of the general public, the access of the general public to Internet and web services that again are not being provided equally across the province. So we have very serious concerns about equity in the areas of technology, and we look forward to hearing the government's long-term plans for this, although we do believe that this must be one of the last provinces to have a long-term plan for the uses and provision of technology in our schools.

We hear increasingly from teachers and from parents about the lack and the diminution of resources in the classroom. We hear particularly about the rapid introduction of new curriculums at many levels and the difficulties that both teachers and parents and principals are finding in providing as well as they would like to for students in areas where so many new curriculums have been introduced so quickly. Many people believe that the professional development available for these new curriculums has not been as they would have liked. They believe that the textbooks that should be there for new curriculum are not there and that teachers are constantly scrambling.

* (1530)

Parents do not have a clear understanding of what the expectations of the new curriculum are and that the government, although it says that it is listening to parents and teachers, certainly does not seem to have heard some of the very serious concerns that people have about both of those areas which seem, I think, to many teachers and parents to be remediable, if there is such a word. These are things which could be helped. These are things which could be provided. There are paces of change which could be slowed down and which would enable people to feel that they were

meeting the needs of their students in a much more appropriate and professional manner.

The minister, I am sure, has heard over and over again of the concerns that people have who are dealing with children with special needs. The minister has also heard our criticism of the government's refusal to deal with the issue of special needs since 1993. Government said that it had a review committee in 1993. It seemed to have been only a departmental one, not a public one. The minister promised a public and open review of special—not this minister but an earlier minister promised a review of special needs, which was promised and repromised in '94 and '95 and '96, and here we are in 1998. The government is coming up to another election, and they have not yet received the report of the special education review, which has been so much awaited and so eagerly sought, I think, by many teachers and parents across Manitoba.

So we look forward with the minister to looking at the recommendations of that committee, which I understand the minister anticipates she will be receiving in September, and as she has promised in the House in Question Period, the recommendations of that committee will become public.

Professional development I think is another area that is causing serious concern. This is one area where I believe the minister has allowed, along with special needs and with guidance, school divisions some flexibility. Twenty percent of the monies for each of these areas can now be moved to different sections of a division's budget. Last year I asked the minister whether, in fact, she had tracked the movement of this money because it seemed to me a snapshot—it would give us a snapshot of where the needs were, where people felt that they could make adjustments, but, unfortunately, such monitoring was not taking place.

I think that is something else we would like to look at again with the minister in these Estimates, because each of those areas I think are areas where we do have concerns about the future of Manitoba education. That flexibility, while it was welcomed by many school divisions—there is no doubt about that, but where they moved things overall, perhaps not division by division, I think would be a useful snapshot to us of where the

needs are in different regions of Manitoba and in different areas of education.

We have concerns and the minister has heard many of them, I think, as she has travelled across the province, about testing, about the departmental uses of the results of testing. We have heard concerns about the achievement levels that are being expressed in the national tests. We have heard concerns about the cost of testing which does not seem to be going down—in fact, it seems to be increasing—and the expansion of departmental personnel in that area. So I think people are very concerned about the future of testing in Manitoba, the future cost of it, what is being sacrificed in order for this area of government activity to grow at such a rapid rate.

We have as always—and we have raised this, I believe, every year in Estimates—issues of aboriginal education. We continue to lament, as I did today in Question Period, the cuts that were made by the federal government and by the provincial government to the Access program. If those Statistics Canada numbers are to be believed, then we have indeed lost a generation. If people from between the ages of 20 and 29 have graduated from university and colleges, from post-secondary education, at a lower rate than the rest of the aboriginal population, then I think that is a matter for serious concern, and we are seeing a possibility of a number of aboriginal communities not being able to provide for the future of their young people.

We look, too, at the decline of curriculum across Manitoba, the decline of curriculum areas. Schools which used to have home economics, industrial arts, basic French, in some areas music, in some areas drama, but those areas are being cut from the curriculum, and we do, I think, have a different perspective on the nature and purpose of curriculum from this government. The government has made a very clear direction, very clear instructions for what they call core instruction, and one of the costs of that has been the loss of what we would call a broadly based education that is available to and uses the talents, all the talents, of all our children.

The minister has talked about an indicators committee that she has advising her. This is something that we have looked for, I think, since the previous

Minister of Education. I remember bringing the Saskatchewan indicators program to legislative committee. I have seen the Manitoba Teachers' Society bring similar versions of the Saskatchewan indicators booklets, all of which provide much more information.

I will not say the Saskatchewan program is necessarily perfect, but it is a lot more information presented in good graphic form, asking questions, I think, of the data that many Manitobans would want to ask, but we have no similar, no comparable material for Manitoba. The government has had many years to address this. It should have, I would have thought, fitted into the government's expressed desire to be accountable to Manitobans. This is a very good way that Saskatchewan has—oh, I believe, under a number of governments—expressed its accountability to the people of Saskatchewan. It is a very good way to do it—it is not the only way, but it is a first step. I am glad to see the minister has finally established a committee on this, and we look forward to some discussion as to what their mandate is, and what their timetable will be.

In post-secondary area, the government has increased the funding to post-secondary education in this area, although, of course, on the other hand, the government also wants to claim that we should not rely upon funding issues as criteria for evaluating an educational system. But the government has increased the money to colleges and universities this year, and we are, in fact, back to the 1992 dollar amounts that we had in post-secondary education, which, in part, had derived from an earlier government, in part had derived from the funding to post-secondary education under the minority government of this particular Premier (Mr. Filmon). So, yes, I think those institutions are glad to see an increase. They are glad to see a change of direction, but we should not fool ourselves that this is anything more than a return to the actual dollar funding of 1992-93. Given that there has been some inflation, a not enormous inflation, but certainly some—2 or 3 percent a year—in some years of that period, this is not necessarily meeting the needs of post-secondary institutions. In post-secondary institutions, I include, of course, not just colleges and universities, but apprenticeship and training programs, and some of the programs that have been developed under the Children and Youth Secretariat, under the training programs.

There are, as the minister, I know, is well aware, big issues of capital—capital repairs, capital construction for universities and colleges. There are, I think, important areas of access to be considered. We are talking here, not just of access for aboriginal students, although for the future of Manitoba that has to be one of the major concerns, but also access for those who are unable to afford the rapidly increasing fees. The minister knows that in the House I have raised and, in fact, have raised before with her in Estimates the issue of the Council on Post-Secondary Education's inability so far to produce a fee policy.

We had looked forward to that fee policy. We had supported the recommendations that came forward, that the council should see that as one of its first items of business. It was something, I think, that came out of the Roblin Commission. A fully rounded and responsible fee policy has many aspects to it, but one of those is to ensure that those people who are going to benefit from a post-secondary education do have access to it, whether it comes in the form of apprenticeship or training, or whether it comes in the form of a college or university education. And here we are, 1998, on the edge of another election, and the government has not yet been able to provide that basic fee policy. Now, the government says that it has been consulting—I am glad to see that, but, you know, it said that in 1995. It said it again in 1996, and here we are, 1998, and still no fee policy. Meanwhile fees have risen considerably, and they have risen, I believe, in an unregulated manner, and in a manner that certainly has not been part of a public discussion with Manitobans.

* (1540)

So we have concerns about fees. I have some concerns about the new programs that the government intends to develop in debt relief, something that I have asked the government for, over a number of years. It was a policy that we had when this government came into power. We were, for many years, under this government, the only province in western Canada—the only province in Canada, in fact—which did not have a debt relief program that was generally available. A small portion of debt relief was available to some Access students, but, in general, Manitoba students, unlike students in every other province, had no debt relief program. So we are glad to see that that is being

introduced. We should remind Manitobans, of course, that there were such programs before as there were indeed bursary programs that the government now intends to reintroduce as it gets closer to another election.

I have some questions about the Council on Post-Secondary Education. I am also interested, and I think it comes under the post-secondary line, MERLIN. We have not had a chance in Estimates to discuss MERLIN. I think it is important that we put some matters on the public record and that MERLIN itself has the opportunity to tell us about some of the successes that it has had and about the long-range programs that it wants to offer to Manitobans.

With that, Mr. Chairman, I think I have finished my introductory remarks. I was finally interested to hear from the minister about the Sustainable Development Education Strategy and the meetings that she plans throughout the province. I think we would want to pick up some questions on that on the appropriate line.

Mr. Chairperson: We thank the critic for the official opposition for those remarks. I would remind the members of the committee that debate on the Minister's Salary, item 16.1.(a), is deferred until all other items in the Estimates of the department are passed. At this time we invite the minister's staff to take their place in the Chamber.

Is the minister prepared to introduce her staff present at the committee?

Mrs. McIntosh: Mr. Chairman, I have here with me today Mr. John Carlyle, Deputy Minister of Education; Mr. Jim Glen and Mr. Tom Thompson from the Department of Education and Training.

Mr. Chairperson: The item before the committee is 16.1. Administration and Finance (b) Executive Support (1) Salaries and Employee Benefits \$628,200.

Ms. Friesen: Mr. Chairman, under the area of general policy, I wanted to ask the minister some questions about her committee on the funding of Manitoba's public schools, the minister's Advisory Committee on Educational Finance, which over the past two years has made a number of recommendations to the minister,

and I wanted to look at first of all the report of that committee. I should perhaps say, for the record, that this is a committee which is broadly representative of all the, quote, stakeholders in Manitoba education and includes civil servants. I believe it includes the deputy minister, it includes the assistant deputy minister, administration and finance and the assistant deputy minister of School Programs, one of them in an ex officio category; the other is secretary to the committee.

But, in any case, the general terms of reference are to provide advice and recommendations to the minister, and I wonder if the minister could give us some sense of how those recommendations are conveyed, and, in particular, I am interested in the 1997-98 recommendations on co-ordinator and clinician funding. The committee recommended a number of changes to the methodology used to calculate the grant. I can read them if the minister does not have them there, because I know they are from the previous year, but I wondered what the minister's response had been to that. It was basically that over three years the method be changed so that funding is calculated based on the actual remainder rather than adding one, the change be phased in over three years, the divisor be lowered from 700 to 675, and the funding be the lesser of an amount calculated, quote, unquote. That is the chunk I am looking at. It is on page 7 of the '97-98.

*(1550)

Mrs. McIntosh: The information the critic is requesting some clarification on is not in this year's Estimates. It is going back in time and we do not have the historical documents here. We are here to do this year's Estimates. We could get staff to get that information and table it for later or, under 16.4, when we get to the proper line, we could instruct staff to bring that information. But it is not information from this year's Estimates, so we did not come prepared to go through the Estimates from two years ago.

Ms. Friesen: The reason I am asking this question is that I am interested in what the general response of the department has been to this committee. Clearly there must be some of the recommendations of the committee which have been accepted. I wondered if this was one of them. I was going to work through the ones from last year, the previous year, to see which ones were

accepted and which were rejected in preparation for looking at this year's recommendations in the committee to see which ones the minister accepted and which ones she has not yet acted upon.

Mrs. McIntosh: Mr. Chairman, I can give an indication to the member, and I will do that, as to how we did our responses for this year, and it is the same sort of way we do them every year. We do not necessarily say we are going to try to establish a trend here or there. We take a look at each year's recommendations which are presented as recommendations for that year and then respond for that year. So it might be that there is a particular need in one year that warrants addressing, and we will take a look at addressing it. I can indicate that we accept more recommendations than we reject.

If there is a trend, the trend would be to accept more than are not accepted. Sometimes we will have to take into consideration other things that are happening in education. For example, they may ask for something to do with special needs, just to pick one out of several. Knowing that we have a special needs review about to report, it may be that we would decide to hold off on making a decision on that until we see what is recommended by other groups, for example.

But just to give you an indication as to the process we went through this year and how we did the questions and responses, this is typical of how we do it each year. The committee will make its recommendations. They will come to me and present them, and they present them in person. We discuss them and then the committee leaves and I ponder and we come back with responses. Responses will take into consideration a whole variety of items, just as the recommendations do.

They recommended for '97-98, for example, that 5 percent of the average teacher's salary in each school division, to recognize the fringe benefit costs, be added to the average teacher's salary used to calculate recognized expenditures. Our response was that the percentage of an average teacher's salary used to calculate the recognized expenditures was maintained at 91 percent for the third year, and the salary grid used for this calculation was maintained at September 1994 because many divisions had not yet settled their new contracts and those that had new contracts were

primarily being settled at zero percent. However, the personnel applied to the grid to calculate the average salary were revised from September '95 to September '96 to recognize more up-to-date salary classifications and years of experience.

They also recommended that the calculation of supplementary funding be less dependent on school division expenditures related to specific areas and take into account all expenditure areas. They recommended that the calculation of supplementary funding be based on the lesser of a percentage of provincial support or all unfunded expenditures. It further recommended, the committee further recommended, that supplementary funding be determined in steps so that the effect on funding is less impacted by the first dollar of expenditure reduction than the second dollar of expenditure reduction, and so on.

Our response to that was that the calculation of supplementary support was changed to be based on 40 percent of all previous years unsupported net operating expenditures as opposed to only four areas of expenditures like special needs, occupancy, transportation and technology, technology/vocational, for a total cost of \$4 million.

Using all the unsupported net operating expenditures, this introduces new funding for unsupported regular instruction, administration and instruction of pupil support services expenditures which were previously not eligible for supplementary support.

The recommendation that funding be determined in steps was not implemented. A one-time guaranteed supplementary grant of \$.5 million is provided to divisions who experience a reduction in funding from '97-98 to '98-99 due to changes made in the calculation of supplementary support. The guarantee is provided to ensure that no division receives less funding than in '97-98 due to formula changes outlined above.

So that is sort of the way we do it, Mr. Chairman. It is the recommendation, an explanation for the recommendation, a consideration of the response and a response which sometimes does what they ask and sometimes does not. They had recommended, for example, that the threshold in the socioeconomic indicator tabled for students-at-risk support be lowered

from 25 to 20 percent, and the rates in the table be changed to maintain funding at present levels. We responded by saying that the students-at-risk formula support, based on the socioeconomic profile of the school catchment area, starts at the socioeconomic index of 20 percent as opposed to 25 percent. Starting the index at 20 percent means that more schools receive funding based on socioeconomic indicators. The maximum students-at-risk formula support has been increased from 10,000 to 15,000.

Similarly, I have just one more example from this '97-98 set. They had recommended that we develop a set of systems indicators in consultation with the public school community which reflects the operational goals of Manitoba public schools, and these indicators should be used to evaluate the success of Manitoba public schools in meeting those goals, as well as to identify the progress we have made over time towards obtaining them. We have, as of about two and half months ago, begun that process of developing a systems indicators. We have that underway now. We already have some proposed models from some of the educational stakeholders for us to consider, so that is well underway and should be ready soon, so you can see that some are accepted and some are rejected. It will go year by year depending upon what the perceived needs are, but we do not attempt to develop trends, nor do we see it in that way. It is an annual assessment of need that we attempt to respond to depending on our own circumstances.

Ms. Friesen: I understand that the minister undertook two years ago to publish the report of the committee, and I wondered how that was being accomplished and how the responses are communicated to the general public. The minister indicates that there is a formal presentation of the report to her, consideration of it, and then there are formal responses to each of the sections that she has read into the record now.

When public access is given to these reports of the advisory committee—I received mine by asking for it. I thank the minister for sending me that, but I wondered—my question is really twofold—how is it made public to the general public, and how are those responses of the department made public?

* (1600)

Mrs. McIntosh: Two years ago, I think it was two years ago, we began to release the finance advisory committee's report to school divisions, not to everybody in Manitoba but to all of those affected school boards, school business officials, those people who work with the formula and are familiar with it. Also, then, at that time, we provide the report to those stakeholder groups in the field. The advisory committee will approach school divisions as they begin their work and ask them to indicate, of their most recently received funding, what are the things that they have noticed and what recommendations would they make. So they seek input from the divisions that way as they begin their deliberations in any given year.

After they have done their deliberations, then the report that they come up with is released. We started this a couple of years ago, releasing it back to all the stakeholder groups in the divisions so that they can be aware of what was recommended, because many of the recommendations were based—not many but some; well, I would say quite a few, probably, were based upon input that the board received from the field. We release this report to the school divisions and the stakeholder groups where the funding formula directly affects their work, because they are the ones who plan the budgets on behalf of the general public.

There are two citizen reps as you know, Mr. Chairman, on the committee, one parent and one citizen at large. C'est tout.

Ms. Friesen: I wonder if the minister could indicate how the responses—that was the other part of my question—that she read into the record and which appear to be part of a formal response, how those government responses are communicated to the committee, first of all, and to the people to whom this report is released.

Mr. Peter Dyck, Acting Chairperson, in the Chair

Mrs. McIntosh: We communicate to the school divisions in three ways on this particular item. The first and most obvious, of course, is the January funding announcement, because that is something that not only goes to the school divisions but goes to the media, as well.

The funding announcement is usually accompanied by a fair bit of detail, but then adding to that detail staff

from the Department of Education go out and, division by division, hold personal visits with every division in the province, outlining all the details that are pertinent to that particular school division. It is a very time-consuming process, but one that is extremely helpful to divisions. I can recall being on a school board, and I am sure the Chairman can also, when divisional staff came out to explain the impact of that year's funding announcement on a school division.

So there is the general announcement, the in-depth, detailed, personal discussion on that with boards, and then of course the advisory committee itself. For example, right now, it is already beginning on its 1999-2000 work, and the priorities for next year are already underway. The finance committee, the advisory committee, will be seeking input from boards. That is the third way of getting it. There is the announcement, the personal meeting, and then the request for input from boards as the committee begins its work.

The priorities for next year are ranked democratically by the members of the committee, and these then form the basis of the fall report for 1999-2000. For example, the report to me will be in by June of '98. That will be the interim report. The final report I should have received by the end of October '98, and that is all based on input given to the committee for them to deal with, and that input gives a directive, direct solicitation for input from the departmental staff of committee members.

Ms. Friesen: I am not sure I have got it clear. This is a committee which represents a wide range of interest in education. It meets a number of times a year. It has input; it makes recommendations to the minister. It is clear that the minister has a formal response to each of these items. Some of it she has read into the record, and it seems very appropriate to me that she should. Yes, we are going to do this; no, we are not going to do this; that one, maybe we can delay; here is another one that we think should be dealt with in another way.

Not all of these issues deal with education—finance—in a direct way, so that the January funding response, and the other ways of responding that the minister suggested, seem to me do not answer all of the issues. They do not answer probably a third of the issues that are dealt with by the committee. Since the

minister does seem to have a response to each of these sections, I wondered why they were not made public. It seems to me appropriate—from the department's perspective, it has got this advice that it has solicited. It has got some answers that are reasonable from its own perspective. Why are these not communicated?

* (1610)

Mrs. McIntosh: I thought I had indicated that in my response, but if I did not, the response back to the stakeholders, of course, is provided by the minister's advisory committee. I thought I had said that, and if I did not make it clear, I apologize, but the advisory committee does give back to those people who provide input, the stakeholders. I am sure I did say that they go back to them, but, anyhow, to MASS, MAST, MASBO, those various groups, and tell them exactly what the responses were in the decisions made about their recommendations. So they have got that.

The report—as you know, the minister's Advisory Committee on Educational Finance, as I indicated earlier, seeks input from the divisions, from the stakeholders in the divisions, develops its recommendations based upon their own knowledge and input from the divisions, some of which is contradictory. You might have one division saying they want this and another division saying they want the exact opposite. Well, obviously, the committee has to wade through those various inputs and decide do they want to do as division A has requested or division B? Whatever they decide has to be in the best interests of all Manitoba.

That report comes to me as minister. It is a minister's advisory committee. In effect, it is an internal report. There is no need to share it with anybody because the answer would come in my funding announcement. However, of course, we do share it with people because while there would be no legal obligation to do that, given that it is internal advice to the minister and as such is private advice to the minister, nonetheless in recognition of the fact that all these groups have provided input, the committee does let those people know what their recommendations have been, and I am quite comfortable with that.

The ultimate revelation of that, of course, would come with the funding announcement wherein even if

the people who provided input did not know before the funding announcement, they most certainly would as soon as the announcement was made, because it would all be then displayed in that. So it goes back to the people who provide the input: trustees, teachers, MASBO, et cetera. The committee relays that information to them. I am sorry, I thought I had made that clear in my first answer. If I did not, I apologize.

Ms. Friesen: I understand the committee provides advice to the minister. The minister then reflects on that advice and, given what she was reading to the record, my understanding was that she was responding to each section of that advice. I wondered whether that response, the minister's response to the committee, was ever written down and conveyed in written form to the committee which had advised her.

Mrs. McIntosh: Generally, the committee and the minister worked together via discussion and dialogue. There may be written communications flowing back and forth between the committee and the school divisions, I am not certain. I mean, that may all be discussed in dialogue also. Certainly, the recommendations that are written into the formula's changes need to be written down because they need to be put into changes in the formula. By and large, it is not one of those sessions that is super-ultra formal where people write down, you know, where they have formal legal language going back and forth.

My responses to the committee are usually given verbally. They will come in. We will talk. We will discuss it. I will indicate that I think I can live with that or I cannot live with that, or because of these extenuating circumstances it is a good idea, but it is not practical for whatever reasons. Or I thank them for a really good idea that I intend to implement that might not have been brought to my attention had it not been for the committee's work. So it is more discussion dialogue as opposed to me sending them back a big formal legal document. They give me advice. I thank them and try to give them a pretty good idea as to what I am going to be doing with the advice in appreciation for their efforts.

Ms. Friesen: For two years running now, the committee has made recommendations on the reliance on property taxation—and really one of the reasons I

was asking how the minister responded to recommendations, because both this year and last year the committee's first recommendation, its main recommendation, was their concerns about the increase in local taxation and the importance, in their view, of providing additional funding from general revenues. It is interesting to see the same recommendation appear twice. That does not happen very often throughout these reports; obviously, it is of great concern to the minister's committee. So I wonder if the minister could give us a sense of what her response has been on both occasions to that recommendation.

* (1620)

Mrs. McIntosh: Mr. Chairman, I understand that that issue gets raised from time to time, and whenever it does get raised, of course, and you talk to people and you say, well, what would you replace property taxation with, they say, well, we do not know. You begin to put out the alternatives. Well, would you like a 2 percent increase on the sales tax for all citizens of Manitoba, and the answer is, oh, good heavens, no. Well, would you like an increase in the gas tax or a fuel tax, a gasoline tax imposed on other objects? Oh, good heavens, no. Would you like an increase in income tax? Oh, good heavens, no. Well, where would you see us getting approximately \$500 million from if we change the level of taxation?

They will generally at the end of such a conversation come back to saying, well, I may not like it on property tax, but I really cannot think of any better alternative. So in that sense, then, they will come back to saying, well, I guess we have to pay for it somehow because—and I think the member opposite would be the first to agree that the public should pay for public school education absolutely, and if the public is going to pay, as the member opposite feels the public should pay, increasingly large sums of money to public schools, it does have to come from people one way or another. There has to be a way to obtain the money from the people, and property taxation is the way it is done in Manitoba. No one has yet been able to come up with a better alternative. The opposition certainly has not been able to present an alternative that would be better than a property tax, and if they ever had one, we would be pleased to consider it, but, unfortunately, they do not.

Mr. Chairperson in the Chair

But, Mr. Chairman, we should note that, for the record, we did this year give from general revenue a 2.2 percent increase to public schools, and we increased the supplementary to help poorer school divisions by I think it was \$4 million altogether that we provided for school divisions with lower assessments. For 1999-2000—and I cannot believe that we are now looking at those years in our actual working projections—we have asked how to ameliorate assessment swings, where if in a given year some area suddenly finds itself with a dramatic change in its assessment, that perhaps it could be looked at being phased in for that particular division if the variance over or above the status quo is a certain percentage or more, and they are looking at that through the advisory committee.

So we have done some things and we are doing others, but in terms of replacing property taxation with something else, nobody, including the official opposition, has been able to tell us a fairer or more acceptable way to do it. Certainly, people get extremely agitated if it is talked about going on a sales tax, unless the member has a way to fund public education without doing it through tax dollars which to date is the only way we have learned how to do it in this country.

Ms. Friesen: Mr. Chairman, I think, as I understand what the committee has been trying to say over the last two years, the issue is not the replacement of property tax, but it is the increasing reliance on property tax, so it is the proportions, I think, that are their concerns. I think, for example, this year's in 1998-99, they reviewed the historical and current portion of education financing borne by general revenues and property taxation.

So I wondered if—the minister indicates that in each of these cases she has some dialogue that it is done informally, verbal discussion with the committee—she had discussed this, the proportions and the shift in, as the committee perceives it, the portioning of education financing, if we can use those terms, and since this has now come up two years running and as I am sure all Manitobans know it is an issue of continuing concern, whether the minister has directed the committee to look at some alternatives or what the next step is from the minister's perspective.

Mrs. McIntosh: Mr. Chairman, I would not want the record to leave showing an implication that the reliance on financing education via property taxation versus general revenue has changed substantially over time, because there have been very, very small microshifts occasionally, but basically the proportion has remained essentially unchanged for the last 15 years.

So why would we examine something that has not changed in substance for about 15 years? The fact is that property taxation for education purposes, including both ESL and the special levy, provides approximately, well, it was more than 50 percent of the total expenditures of school divisions; that has not changed. In fact, the levy on property that the province taxes for education has not increased since 1994. Again, since 1990, farm property has been exempted from paying provincial tax on property for education, for property tax really for the people of Manitoba, about \$16 million a year.

So I think it is just important to note that for the record.

Ms. Friesen: Is the committee wrong then, in the minister's view, when it says that they, and I am quoting, the committee continues to be concerned with the increasing extent to which property taxation is being relied upon to finance education? Now, has the committee not understood the department's perspective? Is there something that should be tabled, some evidence that would substantiate what the minister is saying?

Mrs. McIntosh: I think the member is perhaps looking with the wrong emphasis at the message that is there. It might be that school divisions are placing more emphasis on special levy. The fact is in about a decade, the variance on, the reliance on the property tax has not changed more than about 2 percent in all that time.

But, in answer to her question in terms of what we are doing to help divisions where circumstances make them very aware of these things, would be, for example, when we have just come through a period of reassessment, wherein some areas of the province, they had a massive change in their assessment, and you found areas that were experiencing strong economic growth suddenly having a higher assessment than they

had had four years before. Because of that, then, the formula applied to them differently, and in those areas we have asked that if there is a great variance in the assessment, if suddenly you find a house that was worth \$80,000 is now worth \$110,000—those kinds of things happen—or commercial properties will be assessed at a higher value. If it is a great leap, then we have asked the committee to take a look at perhaps phasing in that adjustment so as to cushion that impact on them. It does, of course, work the other way and those who have experienced lower than expected assessments, or where assessment has fallen, then the benefit in terms of extra money flowing from the province. We have done those two things. I think the member may be referring to perhaps special levy as opposed to the impact of the dependency reliance on property taxes.

* (1630)

But I take what the minister's Advisory Committee on Educational Finance says very seriously. We must, as the provincial economy continues to grow, identify increased general revenue, sources of funding for school divisions, and we did that this year when we increased funding by 2.2 percent using general revenue to do that. We hope to do that again next year. I cannot speak for what the final decision on funding for next year will be, but we have always said—and I am sure the member can appreciate the truth of what we said—is that during the recession and during the full impact of the federal transfer payments, which I know is hard for members opposite to acknowledge, but those federal transfer cuts were real and they had a very, very devastating impact on the entire Department of Education and the entire Department of Health, not just certain aspects of it.

We just took a look at the operating budget for the University of Manitoba being \$227 million a year, and our federal transfer cut was \$220 million a year. Essentially they wiped out the entire operating budget of the University of Manitoba in one transfer cut. Somehow we had to keep the University of Manitoba going, so during those recessionary years, in the period when we were feeling those full impacts, we were making adjustments through the rest of our departments. We are now a stronger economy. We still do not think it is right or fair to have to backfill federal cuts, the federal government absolving itself of its

responsibility, but we are able now to begin strengthening the money that we provide from our own provincial general revenues. That is what we have been doing. We did it this year. We have announced at least the floor for next year's funding, and that is out of general revenue. That is not relying on property taxation to accomplish that increase.

Ms. Friesen: The purpose of my question was to determine which of the statements is correct, and for two years running the committee has used the precise wording, and I quote: the committee continues to be concerned with the increasing extent to which property taxation is being relied upon to finance education.

The minister says that she has a dialogue with them each year, and the minister also claims that there has been little shift in the reliance upon property taxation. I simply am looking for some direction on this. There do seem to be two points of view on this, and I wondered if the minister had some evidence—she was quoting some numbers, for example—there on the percentage shift that there has been in the property tax reliance over the last 15 years, I think it was.

So I wondered if we could, for the benefit of perhaps the small public which reads Estimates, indicate which is right, which is correct, and how we can we provide the evidence to people that property tax has not shifted in the last 15 years.

Mrs. McIntosh: If the member is trying to get me to say that I am incorrect or they are incorrect, you certainly will not get me to say that, because both are correct, depending on your point of view. In terms of figures, I can indicate that since 1988, when we came to office, the reliance on property tax has increased by 2.8 percent. Now, I do not consider that a heavy increase in reliance on property tax, but some might. The member opposite might, for example. The member knows that she and I will often come to disputes when I will say things like, I do not think 2.8 percent over 10 years is overreliance, and the member might say, well, I do. It is a difference of opinion, and so it is subjective.

If the member wants it on the record, I put it on the record and let that small public she refers to that reads Estimates judge for themselves. Is 2.8 percent increase

in reliance on property tax over 10 years too much of an increase in reliance or not? So I would ask those who are reading this to take a look at 2.8 percent since 1988 over 10 years and ask themselves the question: Is that too much of an increasing reliance on property tax?

As I have said, I hope to keep that change in the near future as we did last year, that we look to continued growth in Manitoba and, as our fortunes continue to increase because the economy is stronger, then I hope and expect you will see that reflected in the way in which we are able to assign the monies that we have.

Ms. Friesen: Well, the words are not mine; they are those of a committee which meets regularly with the minister. So that was my concern is that they appear to be arguing one thing, increasing reliance upon the property tax, and the minister is arguing that it is a very small change. So the other part of my question was: could the minister table some numbers? Could she table the survey since 1988 which shows that the shift has only been 2 percent? Which tables are available to the public? What information is available to the public that would show them that this is, indeed, the case?

* (1640)

Mrs. McIntosh: Mr. Chairman, I am very sorry that the member chooses not to believe me and my staff, but I will—

Point of Order

Ms. Friesen: Mr. Chairman, I do not think the minister should be imputing motives. My request was for evidence that would enable people to understand the minister's perspective.

Mr. Chairperson: Order, please. A point of order should be raised if the rules of the House are being overridden. The honourable member clearly had a dispute over the facts.

Ms. Friesen: For some clarification of your point of order. Is it in order for members of the Legislature to impugn motives to each other, because I understood that is what the minister was doing? It is not that I disbelieve or believe her; I am simply asking for evidence.

Mr. Chairperson: We will take it under advisement and review Hansard to get the exact words that the minister put on the record.

* * *

Mr. Chairperson: The honourable minister, to conclude her remarks.

Mrs. McIntosh: I am sorry I interpreted the member's remarks that way. I was under the assumption that in Estimates a minister of the Crown sitting in the Legislative Assembly with her senior staff answering questions on Estimates of Expenditures for the Committee of Supply for the Province of Manitoba would provide factual information. I interpreted the member's question as needing proof that my comments were accurate, which led me to think that perhaps she did not place credibility in the statements of me and my staff here today.

So, if I misinterpreted the implication that she appeared to somehow leave on the record, it is just the way in which she phrases her words that leaves that implication. I know she did not mean it, it just sounds that way. So I will accept the fact that she does believe that this is correct information, and she is simply looking for some other authority to verify that I am, indeed, speaking the truth accurately in this Chamber.

So, Mr. Chairman, we do not have that here because the member also indicated: could she please see the survey. There is no survey. The member has a habit of doing things such as that saying: could you please show me the survey, could you please show me the report—when she does not know for sure if there has been a survey or a report. It would be better if she phrased her questions to say: was there a survey? Well, there are reasons for those games with words; we all know them. I find them—they are just irritating, but I have to accept that is the way it is.

I do not want to play games with words in return the same way that she does. I will simply say that it is over 10 years. We have adjusted for inflation. The eight is actually three–2.3 percent. So she is probably right to ask for verification because what I thought was an eight is actually a three. Mr. Chairman, 2.3 percent over 10 years, adjusted for inflation, constant dollars is the increasing reliance on property taxation. It would be up

to the viewer to ascertain whether that is overly increased reliance or appropriate reliance, but we will go back and we can develop a table expressly for the member's information because we get this information every year from school divisions. We can have the staff compile that information for her, and that would give her a comfort level that what I have spoken here today is indeed the truth.

Ms. Friesen: Mr. Chairman, I think one thing I would like to say to the minister from the beginning is that my training is as an historian. My training is always to ask for evidence. It does not matter what the authority is, what the location is, what the source is, always ask for evidence. That is the whole range of training that I have had. It is unfortunate that the minister wants to take this personally; it is not personal at all. I believe that is one of the responsibilities of a critic, and it is, in fact, also the way that I have been trained.

The reason that I asked for evidence, apart from that, is, of course, that the sources of evidence for such an argument that it has only been a 2.8 percent or 2.3 percent shift are many and diverse. They come from the provincial levying of taxes, they come from a local levying of taxes and, as the minister has said, it comes from many school divisions, as well. So the issue for the public is how do we arrive at that number, what sources of information has the minister taken, and how have those tables been derived? That is really all I am trying to do is to get that on the public record.

I am quite prepared to believe either case, either side on this, but I would like to be able to see some evidence that I could judge, and I think it is important for the public. If the minister is making the argument that the shift has only been small, interesting argument, where is the evidence? The department must have done that survey over 10 years, it would seem to me, and the minister indicates that it would require a surveying, a reflection over 10 years, again, very difficult for any individual member of the general public to do. So what I am trying to do is to get something on the public record that backs up that statement as evidence and that will enable a public debate to take place on figures that are generally accepted.

Mrs. McIntosh: Mr. Chairman, I very much appreciate the clarification. I have absolutely no

problem with providing evidentiary confirmation of the information provided by senior staff administrators in the House, no problem at all, and with the rephrasing of her question, she has made it clear that it is not an inference as to the integrity of the minister or her senior staff. I appreciate that clarification because sometimes the original wording differs from the explanation. The explanation is very much appreciated. It clarifies that there was no intending to discredit the integrity of the minister or the senior staff, and I presume then that she will be wanting tables and evidence for all the other questions that we are going to be asking here, given her training as an historian. I can say that we do have staff that can do tabling analysis.

Once again, she refers to the fact that she is sure that the staff had to do a survey to get the information. In the Department of Education, much information is provided to us on an annual basis. It is not necessarily a survey, and the department can go to the work to develop the data on an annual basis going back over 10 years for her for this year's Estimates. The department is using, in terms of the 2.3 percent, department figures to do the analysis of facts on constant dollars, a special levy in ESL. They in turn rely on data from school divisions and the school divisions' own special levies and departmental figures on ESL. They can do that extra work on the previous 10 years for the member for this year's Estimates, and I am presuming then we will be asked for tablings on each and every answer I provide here.

I would just ask for some consideration of the time that my staff has to spend confirming each answer that I give here because there will be a lot of questions, and each answer to be provided evidence that what I am saying is the truth could take us a fair bit of time in Estimates, Mr. Chairman, that I would hate to see staff taken away from their duties. What has happened in years past is the member had tied the staff up gathering information and then criticized them for not being on top of their daily work, and I do not want to see that happen again this year. So I would appreciate some consideration of the time that my staff has to spend going back to compile 10-year-old figures to prove that my current statement is correct. After that consideration is granted, I am quite happy to carry on.

* (1650)

Ms. Friesen: I appreciate the minister preparing that and presenting it to this committee. I would like to ask about the professional development sections of the same advisory committee's reports to the minister, advice to the minister. I think in two years running, the committee has made recommendations about professional development. In the first instance, the previous year, they made recommendations about the financing of it. In this current year, that is 98-99, they have made a number of recommendations about the recording of professional development time, about the introduction of new curriculum and implementation guides, as well as, repeating some of their recommendations from the previous year on funding. It is on page 7 of the '98-99 Advice to the Minister. I wonder if the minister could give us a sense of what her response has been to this.

Mrs. McIntosh: The first part of the recommendation is, I think, best dealt with under School Programs division, 16.2.(e), when we talk about it under that Section 16.2.(e) regarding Program Implementation, and I will have the appropriate staff here at that point when we get to that line. The other two points were not acted on this year. We had a higher priority in the next item where we flowed extra money into technologies. So that is the response to that particular one.

Ms. Friesen: I understand what the minister is saying, that she will discuss 16.2.(e) Section (1), that is Curriculum Implementation. Section (2) dealt with the recording of professional development time to be permitted on a part-day or an hours basis to meet the requirements of the school calendar, and I wonder if the minister had some comments on that. That is a policy issue. It does not appear at first glance to be a financial issue. I wondered what the response of the minister had been to that one.

Mrs. McIntosh: That particular one about the part-day professional development was one we did not address this year. It is not that it is not important or it is not a good idea, because many of the items brought forward, even if they were not adopted, we would still consider to be good ideas, but some of the others would take higher priority. If you were to talk to people about the priorities, they will list all the things that they think they would like to see, and they are all normally good and

worthy things, but some will be more important than others in terms of a need to move upon right away.

There were others that were felt to be more important to move on right away, such, as I say, the money for technology in schools, which even then we need more. Early intervention in schools, which was another one, was deemed to be of higher priority. So, as I say, it is not that we did not feel this was a good one; it is just that they had others such as early intervention, such as technology, et cetera, that had a higher priority, and we decided to flow the extra monies to those areas rather than this one.

It may be that some year this will become a high priority or we will address it in some way but not for this year.

Ms. Friesen: At first glance, this section does not appear to have a cost attached to it. The minister keeps comparing it to things which have a cost and are of a higher priority. I wondered if she perhaps could explain for the record, are there costs attached to this one? Is this an issue that is something of educational finance or is it something that can be dealt with in an administrative manner?

Mr. Chairperson: Perhaps the minister would like to start us off at our next session with the answer to that question.

The hour now being 5 p.m., time for private members' hour. Committee rise.

Call in the Speaker.

* (1700)

IN SESSION

PRIVATE MEMBERS' BUSINESS

Madam Speaker: Order, please. The hour being 5 p.m., time for private members' hour.

Hon. James McCrae (Government House Leader): Madam Speaker, I think there might be agreement to bring private member's Resolution No. 19, standing in the name of the honourable member for Gladstone (Mr. Rocan), forward for debate today and the others would retain their place on the Order Paper.

Madam Speaker: May I just ask for clarification—and leave the others standing in the same order as they appear? Is that what you said?

Mr. McCrae: Yes, just bring No. 19 up to the top.

Madam Speaker: Is there leave to move Resolution 19 ahead of Resolution 16 and leave the rest remaining in the order listed? [agreed]

PROPOSED RESOLUTIONS

Res. 19—Potato Industry in Manitoba

Mr. Denis Rocan (Gladstone): I move, seconded by the honourable member for Pembina (Mr. Dyck),

“WHEREAS the potato industry is one of the most rapidly expanding agricultural sectors in the province of Manitoba; and

“WHEREAS there are 196 commercial potato growers in Manitoba and more than 1,500 Manitobans are employed in processing potatoes and potato products; and

“WHEREAS three decades ago Manitoba's potato crop was worth \$2.5 million, in 1996 Manitoba's potato crop was close to \$100 million; and

“WHEREAS culled potatoes are used as feed for livestock, hogs and bison in Manitoba; and

“WHEREAS the Province of Manitoba is the second largest producer of potatoes in Canada.

“THEREFORE BE IT RESOLVED that the Legislative Assembly of Manitoba urge the Provincial Government to continue on its current course of helping Manitoba achieve its goal of becoming Canada's new potato capital and thereby become the largest producer of potatoes in Canada.”

Motion presented.

Mr. Rocan: It gives me great pleasure today to introduce private members' Resolution No. 19 on Manitoba's potato industry.

As noted today on the front page of the Winnipeg Free Press, Manitoba's potato industry is doing extremely well. Manitoba's potato acreage has steadily increased from 50,000 acres in 1991 to 72,000 acres in 1997. The ever-expanding market for french fries and the initiative of producers to diversify are at the heart of this increase. Respectively, the value of Manitoba's potato crops is growing.

In 1991, the farm gate value of Manitoba's potatoes was \$51 million. By 1996, the farm gate value has increased to \$110 million, and the value added to this crop is estimated at more than \$260 million. What staggering evidence of a healthy, thriving industry. However, even given these truly fantastic numbers, the potato industry in Manitoba is not operating at full capacity. To meet the requirements of the processing industry, it is expected that our potato acreage will increase to over 80,000 acres in the next few years. This will put us in contention to overtake Prince Edward Island as Canada's potato-producing capital.

Right now, approximately 80 percent of Manitoba's potato acreage is for the processing industry which is primarily frozen french fries produced by Midwest Foods at Carberry and McCain Foods at Portage la Prairie. On a smaller scale, Old Dutch Foods in Winnipeg also contracts potatoes for the chip market.

The potato-processing industry provides over 1,500 jobs for Manitobans. Supporting the continued expansion of this industry would lead to the creation of more jobs for Manitobans. The agricultural industry is an integral part of Manitoba's economy. Maintaining a healthy and prosperous potato industry will only contribute to the well-being of the agriculture industry and therefore to Manitoba's entire economy.

Recently, Midwest Foods completed an \$18.6-million expansion of their Carberry production facility. The plant is a joint venture of Nestle Canada Inc. and J. R. Simplot Company and produces french fries for McDonald's U.S. restaurants. The expansion is expected to increase Midwest potato purchases to about 6.7 million hundredweight annually. Moreover, Portage is home to the most advanced potato production facility in not only all of Canada but in the world. The McCain Foods french fry processing plant—this plant, if I might mention, in late 1997

produced 1.4 million pounds of potatoes in a 24-hour period, unheralded in any processing facility in the world.

Manitoba does have the capacity and the ability to produce even more potatoes. One key to the continued growth of the potato industry is irrigable land with the proper soil characteristics. Manitoba has a favourable climate for potato growth, but, more importantly, potato producers require a sustainable water supply for crop irrigation.

I believe that in conjunction with the provincial government, potato producers can meet all of these requirements. Soil survey reports covering 28 rural municipalities indicate that there are more than 2.5 million acres rated good to excellent for irrigated potato production. In my opinion, this is an advantage that we need to help our potato producers take advantage of. This capacity for increased production represents jobs waiting to be created. It is estimated that 70 percent of the potato area is now irrigated, and any future increases in potato acreage will require irrigated production.

The Assiniboine Delta Aquifer made the Carberry area extremely lucrative for potato farmers. This water resource has a potential to provide 7,200 acre-feet of water. Along with water supplied by the province's aquifers, the surplus water irrigation initiative, Phase 1, I might add, is providing \$6 million over three years to support the development of an additional 1,400 irrigated acres.

The Manitoba government proceeded with this program in 1996-97, and the full program implementation is now underway. In keeping with our government's commitment to our environment, this program ensures that all irrigation development is supported in the context of sustainable development. Along with the capacity to produce more potatoes, there is demand for them from Manitoba's growing agri-food industry which processes the majority of our potato crops.

* (1710)

Over the past year, agriculture and the agri-food sector have achieved significant success in both

diversification and value-added initiatives. Potato production and processing, along with hog production, new crops and nontraditional livestock, are all experiencing phenomenal growth as producers in our province respond to massive changes in transportation and trade and seize emerging opportunities. Just as these opportunities are being seized, we need to ensure that the potato producers across Manitoba have the means to seize the emerging opportunities across the potato producing industry in Manitoba. For example, the Manitoba government has assisted a number of agri-food manufacturers in laying the groundwork for making some of these new expanded plants possible.

More initiatives such as these need to be pursued. Manitoba Agriculture staff were involved in such activities as conducting feasibility studies, reviewing infrastructure requirements and assessing supply needs of manufacturers. Many of the new expanded processing plants will certainly help our agri-food sector. Much of the spinoff investment related to expansion in the potato industry will directly benefit my constituency of Gladstone in terms of increased potato acres and also the storage facilities and employment opportunities for people associated with the potato business.

I must urge all members of the House to support this resolution and thereby support one of the agricultural industry's most lucrative subsectors. In fact, potatoes provide the highest net return per acre of any of the major crops in western Canada these days, because they are being grown for processing. Manitobans, including all of the members in this House, are not ones to pass up a good opportunity when they are presented with one. The potato industry in this province is providing the opportunity for expansion. This expansion would be lucrative for the entire province. Let me tell you, this is a good opportunity. I urge all members of this House to support this resolution, and hopefully within the next few years, we will see Manitoba become Canada's top potato producer.

Ms. Rosann Wowchuk (Swan River): Madam Speaker, I welcome this resolution from the member for Gladstone (Mr. Rocan) who brings forward a very important issue, and that is the growth of the potato industry in this province. It comes at a very timely time when we see an article in today's newspaper talking

about Manitoba's spud growers, and the money. It is an important industry to the province. The member indicates that 72,000 acres of potatoes are now in production and that the value of the crop is well over \$1 million—[interjection] Well over \$100 million.

Madam Speaker, when we look at this, and when I look at the article that we see today, the potato producers are doing well. They are making some of the best money in comparison to other producers in this province, other farmers. Their average income is somewhere in the range of \$150,000, of which \$117,000 comes from farming. Whereas, if you compare a grain farmer whose average income is \$33,000, compared to \$43,000 in other parts of the country, Manitoba grain producers are suffering an awful lot, but what we have to look at is that less than one percent of Manitoba farmers are in the potato industry. It is an important industry for a very small part of the province. It is an important industry for value-added jobs, but it is a very small part of the agriculture economy of this province. I would hope that the government would be doing research to look at other parts of the province that might be able to diversify in this area, as well.

There are a couple of areas of concern that have been raised. I remember going on a tour in southern Manitoba, in the southwest part of the province where there is some potato production, and the member for Gladstone (Mr. Rocan) talks about the Assiniboine Delta Aquifer, and people are concerned with the amount of water that is used in potato production. We were in the area southwest of Brandon where there was some potato production, and people talked about the level of wells in the area dropping because of the amount of water that was being taken for potato production. I think we have to take all of this into balance, and we have to ensure that as one industry grows, that another sector of a rural community is not negatively affected. As I say, one of the big concerns that has been raised is the amount of water that is needed.

The other issue that has been raised is the value of the land in those areas. The land is going for \$2,000 an acre, and I am told that it could even go as high as \$3,000 an acre. When I look at that, I question what is the impact of that kind of value on land for small

farmers who want to get started, young farmers who want to get started. These people do not have the resources to pay that kind of a price for land. What you see as a result of this is many people are selling their land off, and the family farm is being absorbed into much larger operations. I have talked to people from the southern part of the province who indicate exactly this. Young farmers are giving up on farming, and selling their land off and it becomes absorbed into a larger operation. The member opposite can say, well, so what, it is money, if we can sell it, good, if that is what they choose to say, but we have to think about the viability of a rural community. Every time somebody sells off a farm and moves out, it is somebody less living in the rural community.

People spend a lot of money educating their children to be involved in the agriculture industry, and if they cannot take part in farming, then it is money wasted, because these people are not being able to actively take part in farming. While we are talking about how great the potato industry is, and it is for certain parts of the province—I say it is great, but I think that we have to think about the consequences of it, too. As the value of land goes higher, who are we putting out of business, and what are we doing to their quality of life in a rural community?

The other thing that I wonder about as well is: what is the future of the prices of the potatoes staying where they are? When I look at this article I read that Larry McIntosh, chief executive officer of Peak of the Market, credits Manitoba's potato success to Manitoba selling its table potatoes on a co-op basis similar to the way the Canadian Wheat Board sells its product.

I am told that only the table potatoes are sold through that market, and that was what I said, table products through the market, but the majority, as the Minister of Agriculture (Mr. Enns) says, are sold on contract. I am told that people south of the border are experiencing some real difficulties with the price of their potatoes as different producers come in. As more people produce potatoes they seem to be having one producer fight against the other, and the price of potatoes is being driven down.

To get into the potato industry is a very big investment, and we have to have some security for the

people who are getting into the industry. So I hope that the Minister of Agriculture will consider this and ensure those people who are making major investments will get a fair return for the product.

The Minister of Rural Development (Mr. Derkach) just talks about the grain farmer. The grain farmer is in big difficulty right now, and part of it is because farmers have been abandoned by the federal government. In other countries we have support programs, safety net programs. In Canada our federal government has basically abandoned the farming community.

So I want to say to the member for Gladstone (Mr. Rocan) that we believe that this is an important industry to Manitoba. More research has to be done to look at other parts of the province where there may be the opportunity for that industry to grow as well, but the government also has to be cautious about what is happening to ensure that those people who make major investments will continue to be able to grow a crop. I think their future is much better than the sugar beet growers, who had the company pull out from under them. Their future is a little bit different, but we have to be sure, and the government should be thinking about how it is that we can ensure that steps can be taken so that the bottom does not fall out of these markets.

* (1720)

Of course I am very much in support of marketing boards and would want the government to consider ways that we could ensure long-term support for those people who chose to get into this industry.

But as well the government has to very much consider what the long-term impacts are on the aquifers and the amount of water that is being used. I think much more has to be done in the area of capturing surface water rather than draining aquifers, that we look at ways to capture surface water that runs off each year and maintain those supplies of water rather than continuing to depend on the aquifers.

So those are the kinds of things that we have to think about. Yes, the industry can grow; yes, it is important for the province, but we cannot just grow cheap

potatoes for the factories to provide a product for export. At this point our potato producers are getting a fair return for their product. We have to think long term. Manitoba does have good soil quality in southern Manitoba and we have the ability to produce good quality potatoes.

I am not so interested in taking over from Prince Edward Island on some title as to whether or not we are the biggest potato producer. I am more interested in the quality of life of people who are involved in the industry. I am more concerned in ensuring that what we are doing is done sustainably, and I am interested in the government committing to research that will ensure that we do not face difficulties that other countries have faced when disease affects a crop.

So there are things that the government should be doing, but I do not think that we should just be putting forward a resolution just to pat ourselves on the back. We have to talk about how we can better the quality of life for people and ensure that long-term production increases.

At the same time as we are talking about potato producers, we seriously have to think about what is happening to other producers in this province, such as the cattle producers. I know the Minister of Agriculture (Mr. Enns) made a commitment I think about a year ago that he was going to devote himself to seeing what could be done to improve the livestock industry and the cattle industry in this province. I look forward to suggestions, because those are a challenging group of people, people who have faced big challenges.

The Minister of Industry, Trade and Tourism (Mr. Downey), Madam Speaker, seems to be interested in speaking on this. I can assure him that in a few minutes I will sit down and, if he has comments to add on it, I would be happy to listen to him. He talks about lack of agriculture policy. I can assure the minister that we have very firm agriculture policies and we are quite committed to the farming community and to people involved in the industry. What we have to do is ensure that all sectors of the agriculture industry have an opportunity to make a living.

We have to look at diversification. The potato industry is certainly one that is a way to diversify. We

have to look at other opportunities for diversification. But one of the things we have to remember is that we are also exporters of grain and we will always be exporters of grain. There is no way that we would be able to raise enough livestock and cattle or hogs to use all of our grain, whether it is cattle, pigs, chickens, whatever we want to raise. There is always going to be some export and we have to think about those people. If we look at the amount of grain that we produce in this province right now, it would be very difficult for us to put it all through livestock.

There are very interesting challenges facing Manitoba agriculture producers at this time. Research is key to how we deal with it. The growth of the potato industry, as I say, is only a very small part of it, but the challenges that we face are ones that we have to consider very carefully, that what we do does not affect our province in a negative way.

When we have a Minister of Industry, Trade and Tourism (Mr. Downey) who says negative things about people who are involved in the industry as well, that does not help us. For example, things that he said about the poultry industry have not helped the poultry industry, when he talks about how the quality of our chickens in this province is not at the standard that they should be.

So as I say, there are many challenges facing the industry. The potato industry is one of the areas that we can grow, and I thank the member for bringing this resolution forward so that we could have the opportunity to discuss it. It is an industry that has the opportunities to grow, but an industry that is also facing some challenges and one that we want to ensure that the people who are involved in can continue to make a reasonable living and not face difficulties further down the road. I look forward to working with people in this industry.

Hon. Harry Enns (Minister of Agriculture): I certainly want to commend and congratulate the honourable member for Gladstone (Mr. Rocan) for bringing this resolution before the House.

I know that certainly I and other members representing farm and rural constituencies bemoan the fact that we spend very little time talking about

agricultural issues in this Chamber. I do not complain. The opposition decides more or less what the subject matters are going to be at Question Period or other times that we debate in the House, but let us not forget that the production of food is still the most important activity, the most important thing that we do. The production of abundant food and food surplus to our needs, so we can help those less fortunate either in direct aid, or as we have increased in earning very important export dollars, for us to carry on the social services of this and any other government. So it is a very important issue.

I just want to speak a few minutes to this resolution. Both members that have spoken—the member for Swan River and the member who introduced the resolution—have spoken eloquently to the issue; potatoes are becoming an increasingly more important crop. The honourable member for Swan River Valley (Ms. Wowchuk) is correct. It is not possible to grow them throughout the province of Manitoba. Only slightly more than 1 percent of our farmers are involved in potato production.

All the more reason that all members of this House should be supportive of the wider diversification programs of this government. Whether it is in beef cattle, whether it is in hogs—I underline hogs—whether it is in chicken, in eggs and/or dairy, we have a different situation facing us as a result of the loss of the Crow, and that has to be addressed.

We need support for some of the other special crops, the nontraditional things that we are doing as in elk ranching, as in bison farming, as in the further diversification and use of special crops, bees, beans, the whole range of pulse crops as we refer to them, the lentil crops. I am hopeful that we can successfully introduce, again on a modest scale, but one never knows how that will go, commercial hemp, for the first time in this province, which can certainly be grown as an alternative crop throughout the province of Manitoba.

* (1730)

We have conducted, the Department of Agriculture that is, trials for the past three years in growing various four-, five-acre plots of commercial hemp in different

parts of the province. We have collected data, and we are now reasonably confident that if we can find a support infrastructure, a company that is prepared to take the product, then on a modest basis, perhaps several hundred acres this year, maybe a couple of thousand acres the following year, we will see the introduction of commercial hemp being grown in this province.

Madam Speaker, I want to also comment on a subject matter that the member for Swan River (Ms. Wowchuk) raised, and she is absolutely right about it, particularly coming back to potatoes and other agriculture uses, the need for dependable water supplies and water supplies that do not denigrate our ground water supplies, our aquifers, so that they can be honestly managed in such a way that they will be there for our children and their children and their children. But we need to do that, and it is becoming a critical thing. I am not an alarmist, I do not have a crystal ball, but there are those who say it is quite possible that we could be entering into a drier period, generally speaking, in Manitoba.

El Nino, you could blame it on. You could blame it on some, if you want to believe it, global warming that this portion of Manitoba could become warmer and drier. Madam Speaker, it behooves us that we now do something about it, and we can do something about it. There are plans that could be readily dusted off if we have the political will to build a substantial, additional reservoir on the Assiniboine River.

The particular sitings of these opportunities are well documented by engineering reports done by both our Water Resource engineers and Canada's group PFRA.

Can you imagine what a reservoir of water three times as high as the Lake of the Prairies that makes my colleague the Minister of Rural Development's (Mr. Derkach) constituency so famous in this province, can you imagine that kind of a reservoir in the middle, in the central part of the country, from which pipeline water could go to all parts of the province? Can you imagine if we looked at lesser streams, like the sewers, and developed them to some of their potential, what we could do in increasing the value of that southwestern portion of the province's agricultural land base which regrettably suffers chronically from shortages of water?

Now that we see opportunities, whether it is hogs, whether it is potatoes, whether it is other special crops, that these opportunities in fairness to past ministers and past governments were not always there as attractive as they are today. It is now in this decade as we move into the new millennium that these opportunities are making themselves known in the province. We as government have a responsibility in creating the infrastructure, the climate for us to take advantage of them.

So I, of course, support this resolution, would like to see the resolution come to a vote right about now, but I attach to it that we really ought to be taking advantage of creating for us and for all time the dependable supplies of water that would help the potato industry and help all other kinds of agricultural users of water, and at the same time, husband our water in a sustainable way. Thank you very much, Madam Speaker.

Point of Order

Mr. Doug Martindale (Burrows): Madam Speaker, I rise on a point of order to ask if you can advise us as to the appropriateness of ministers of the government speaking in private members' hour. I believe this has been questioned in the past. I cannot remember whether there has been a ruling from the Chair or not, but perhaps you could investigate and inform the House, either now or in the future, because it seems to me that the purpose of private members' hour is to let private members debate. I wonder if you could remind us as to the precedence and the rule in the Manitoba Legislature. Thank you.

Madam Speaker: The honourable government House leader, on the same point of order?

Mr. McCrae: Yes, Madam Speaker, I heard some of the words uttered by the honourable member for Burrows (Mr. Martindale) under a point of order, and I must say I would like the honourable member just to withdraw the words and pretend that he had never uttered them in the first place. Because the constituents of Brandon West and the constituents of Arthur-Virden and Roblin-Russell and Lakeside and all of the others represented by ministers of the Crown in this place are not second-class citizens. They are entitled to be represented in this House in private members' hour. In

my respectful view, I believe, long held in legislatures and parliaments, private members' time is for private members, of which each and every 56 members of this House happens to be.

I am not sure if I heard all of the things the honourable member for Burrows had to say, but I am pretty sure that, upon reflection, he might like maybe to raise this matter at some other time or in some other way, but to say to members of this House, who happen to be privileged to serve as ministers of the Crown that they have no place in private members' hour, is to the people of Brandon West, at least, an outrage. I hope the honourable member—[interjection]

Well, I think I heard the honourable member say that he questioned whether ministers of the Crown ought to be able to participate in private members' hour. If that is the honourable member's question, I say with as much respect for him as I can muster that think about what you are saying. Come to Brandon West and explain that question to my constituents who, on occasion, need to be represented in this House during private members' hour or any other time. There are no second-class citizens, and there are no second-class members of this House.

Madam Speaker: Order, please. On the point of order raised by the honourable member for Burrows (Mr. Martindale), I think perhaps there is some confusion between members' statements and private members' hour. I have recognized in my duration as Speaker many ministers, and I believe the former Speaker did as well, and there are no rulings or precedents—we have just checked the file—to determine that ministers are not allowed to speak. I believe some of the comments the government House leader made are appropriate, that all members are private members, and this is an hour in which all members may make a contribution.

Members' statements are very different, and our rules are very explicit. A minister of the Crown may not speak to a matter that falls under his or her portfolio as minister of the Crown, but I am afraid that the honourable member for Burrows does not, in my opinion, have a point of order.

* * *

Mr. Stan Struthers (Dauphin): I am very pleased to rise today to take part in the great Manitoba potato debate. I want to say to the member for Gladstone (Mr. Rocan) that I am very glad that he has brought this important issue to the floor of the House, and I commend him for that.

First of all, Madam Speaker, I commend the member for Gladstone for having the courage to bring up the word “potato” and put it in writing and get the spelling correct. It is a word that has caused one former Vice President of the United States a little bit of grief in the spelling of potatoes and some embarrassment, so I commend the member for Gladstone for having the courage to bring it forth in such a forthright manner.

Madam Speaker, a great Canadian artist by the name of Stompin' Tom Connors was one who spent some time in his own unique fashion promoting the potato industry in Canada. For Stompin' Tom Connors, it was a matter of promoting the Prince Edward Island potato: the spuds were big in the back of Bud's rig and they're from Prince Edward Island. To compete, maybe, I could suggest that the government maybe consult some Manitoba artists, Manitoba musicians. We do have a lot of them. I think maybe an idea to add in on this resolution was maybe the concocting of an official Manitoba potato song. Maybe we can get the same kind of play nationally as Prince Edward Island did on the back of Bud's rig. If we are going to call ourselves the Potato Capital of Canada, if we are going to shoot to get national recognition, I would suggest that there are many creative ways that this government can go about putting forth some ideas on how to compete with our friends in Prince Edward Island.

Madam Speaker, a dozen years ago or so I was in Prince Edward Island, and I saw first-hand the potato growth, the potato industry. I witnessed first-hand the number of people in Prince Edward Island that are employed in the potato industry, and I saw the good things in that province that have developed because of the growth of the potato industry in P.E.I. There is no reason why we here in Manitoba cannot have a viable, stable potato industry. There is no reason why we would not want that, and I think it is going to be pretty obvious that wherever you go in Manitoba, you will see that there will be support for a strong, diversified farm economy. I think you will see that, within that strong,

viable farm economy, people will want a strong potato component within that farm agricultural strength. That is a good thing.

The thing that I want to stress is that the potato industry is part of the overall agricultural economy, and the agricultural economy is again part of the entire provincial economy, and as we from rural Manitoba understand, that is a very important point that we have to keep making over and over and over again until people right across the whole province understand how important agriculture is to our overall economy.

Even though the number of people involved in farming in the province might be a small amount, the Minister of Health—sorry, the Minister of Agriculture (Mr. Enns). Agriculture is a big part of health, too. The Minister of Agriculture keeps reminding us it represents 3 percent of people in the province who were involved in making their incomes through farming. Despite that, despite so few people being involved in agriculture, we still represent a much larger piece of the pie in the overall Manitoba economy. I do not think people give farmers enough credit in this province. Whether they are talking about wheat and grain and oilseed production, whether they are talking about cattle, whether they are talking about any kind of farming including potato farmers, I do not think they get enough credit for the amount of work that they do in this province. The value of their work, I think, is underestimated.

* (1740)

Madam Speaker, everything I have said in a general way applies, I believe, to what is being put forward to us here by the member for Gladstone (Mr. Rocan) in his resolution dealing with the potato industry in Manitoba. He correctly points out that it is a rapidly expanding industry. Now, whenever you deal with a rapidly expanding sector in a resource-based economy like ours, whenever you deal with something that is rapidly expanding, you have also got to be very aware of the consequences of that rapid expansion.

In this case, as my colleague the member for Swan River (Ms. Wowchuk) pointed out, in the case of potatoes, one of the first things we have to consider is how much water the potato industry is going to soak up

as it grows. If it is rapidly expanding, then I would suggest that this government has to be very prudent when it comes to licensing irrigation and when it comes to the amount of water that we take out of the aquifers that feed our potato industry.

Along those lines, a couple of years ago I was fortunate enough to be invited down to southwest Manitoba to tour through some of the areas in which irrigation licences had been given out. I was very pleased to go and take part in a tour throughout the southwest portion of Manitoba in the south of Souris area, south of Virden, Pipestone area, all through that part of the province where hopefully, as we rapidly expand the potato industry, other parts of our agricultural industry will not be pushed to the side. Despite the fact that the Minister of Industry, Trade and Tourism (Mr. Downey), who represents some of these very farmers who were talking to me, despite his assurance that it would never be the case that the potato industry would push others to the side, like cattle producers, his own constituents told me that that is exactly what was happening in the area. They were not very happy that the draw-down on the Assiniboine Delta Aquifer was having a negative effect on the dugouts in their area and the amount of water that is available to the local cattle producers and grain farmers that I talked to two years ago in that area.

Of course, their other worry was that the provincial government has lost control of the number of licences that are being given out for people to go and do the irrigation. The words that the farmers in that area used when they described this to me was illegal irrigation, because they were not licensed.

An Honourable Member: Never.

Mr. Struthers: Now, never would this government do something like that, I am assured by the Minister of Industry, Trade and Tourism, but this is what the farmers in the area were telling me.

If you are going to have a rapid expansion of the potato industry, it would make sense that you would get as much consensus as you could from all the producers who depend on the Assiniboine Delta Aquifer. That just makes good common sense.

Madam Speaker, the member for Gladstone (Mr. Rocan) makes some good points in the resolution that he brings forward, which is why I am glad that he brought it forth today. He pointed out that not only are there almost 200 commercial growers of potatoes, 196 according to the member's resolution, but some 1,500 other Manitobans are employed in the processing of the potatoes right here in Manitoba.

For a lot of years we have talked about adding value to the raw materials that we produce in this province. This is a good example of where you are actually adding some value to a raw product. That, I think, is a good thing. We on this side think that is a good thing. Adding value to a crop along with providing more avenues for farmers to diversify their own particular operations is a good thing.

* (1750)

The other thing that I commend the member for Gladstone (Mr. Rocan) on is to point out the overall worth of the potato industry within Manitoba. He pegs it at some \$2.5 million in 1996. But the one thing that I think we have to keep in mind always, whether you are talking about potatoes or whether you are talking about the hog industry, is that when we do anything quickly, which was what is suggested here with rapid expansion, at the same time, we do not leave common sense behind us in a hell-bound goal of simply providing for development.

Madam Speaker, something that I wanted to point out just in the general context of Manitoba agriculture is where potato production fits in today. Grain and oilseed farmers make up just about 56 percent of Manitoban farmers—this was according to figures in 1996—56 percent were grain and oilseed farmers; cattle farmers represented 23.5 percent; and less than 1 percent of the province's farmers plant potatoes.

So it is all well and fine for this government to key in on 1 percent of agricultural production and try to expand that or try to diversify within that or try to add value to that. That is fine. But what we need to do is expand in lots of other areas. I think what we also need to do is recognize some of those areas in which we can expand.

One thing that I think is a positive step is encouraging farmers to grow hemp. That is something that I think has unlimited opportunities for Manitoba producers from one end of this province to the next. I have always been a supporter of farmers being able to diversify into hemp, and I thought I had a pretty good understanding of all the things that you could produce from hemp until recently when I was approached by some constituents in Dauphin who tripled the number of products that I knew of that could be used from hemp. I think, again, the public out there would be very interested to know all of the uses of hemp, other than the traditional ones that we already know.

So, Madam Speaker, I congratulate the member for Gladstone (Mr. Rocan) for bringing forth this topic for us to debate today, and I will save some time for others who want to put some words on the record as well.

Thank you, Madam Speaker.

Mr. Peter Dyck (Pembina): I, too, would like to put a few comments on the record today in support of the resolution that was brought up by the member for Gladstone (Mr. Rocan). I would just like to bring to mind, to the members opposite and on this side of the House, some of the things that are taking place within southern Manitoba. I believe that it is not really that they were the pioneers; on the other hand, they were some of the first producers of potatoes in the province and doing it in a commercial basis.

It brings to mind Kroeker Farms, a potato company which was in the production of potatoes. They have been in it for many years, and today they are growing 3,800 acres of potatoes on their farm, and, certainly, they have added to the economic thrust within the southern Manitoba area.

I would like to just put a few comments on the record today regarding irrigation. Certainly, irrigation is also something that Kroeker Farms and some of the other companies pioneered in doing it on a commercial basis with potatoes. It is a big investment, getting into the whole area of irrigation. Some of the discussions that I have had with those who are irrigating and who are continuing to expand their acreages with irrigation say that the cost of production, including land, is approximately \$4,000 per acre. That is a big amount of

money, and, certainly, I recognize what the honourable member for Swan River (Ms. Wowchuk) was saying, that there are some big costs in the production of potatoes, and we need to continue to support the industry in that.

Madam Speaker, in order to be able to irrigate you need to have water. I would like to go on record as promoting a dam to be placed on the Pembina River. I believe that as we are going through the study with the International Joint Commission, they are looking at any of the tributaries that are adding to the flood problems within the Red River and are looking at the Pembina River as a possible area for the retention of water.

Madam Speaker, that, of course, falls within the constituency that I represent and would have many, many added features for the area. As we look at irrigation, certainly there is a lot of water that is needed. Rather than sending all the water south, and then ultimately it goes east and then heads north towards the lakes, if we could retain that water and use it in a staged way throughout the summer for irrigation, it would be a big benefit to our area in southern Manitoba.

Not only would it enhance the area of irrigation, it would also assist in the value-added industries such as hogs and cattle and any other wet industries that would be able to locate within southern Manitoba.

I know that they are looking at the construction of a dam. I know that in 1980 they looked at it and, due to circumstances at that time, they were not able to proceed. But, certainly, I would encourage that we, together with the federal government, and of course the U.S. government because this is an international waterway, but very, very seriously look at the possibility of collecting and holding back some of this water that could be used for irrigation, of course, as potable water, as well.

I also realize as time has been progressing that in southern Manitoba we have been making the man-made dugouts which is a way of retaining water and are using it for irrigation. Again, rather than sending all the water east toward the Red River, we are retaining the water, we are holding it back and using this as a resource for the area in production of potatoes and other irrigation.

Madam Speaker, one other area that I find is really valuable and an economic boost for the area is the fact that the culls are used in feedlots, and I know that all the culls that are presently produced by the potato growers are used as food in feedlot. Of course, this is a value-added commodity as well.

Also, the area of machinery, trucks, repairs, labour, fertilizer, fuel, herbicides, pesticides and the construction industry have certainly benefitted by the expanding potato acreage within our area. Now, I realize that it is not only exclusive to the southern Manitoba area, but certainly has added value and economic benefit to other areas within the province.

So I certainly do support this resolution. It is good to see that we are continuing to expand our acreage within Manitoba. It would be certainly our dream that we become the No. 1 producers of potatoes within Canada, and it would certainly be an economic benefit to the province.

I believe my time is almost up, and I want to thank you for this opportunity.

Madam Speaker: Order, please. When the matter is again before the House, the honourable member for Pembina (Mr. Dyck) will have nine minutes remaining.

The hour being 6 p.m., this House is adjourned and stands adjourned until 1:30 p.m. tomorrow (Tuesday).

LEGISLATIVE ASSEMBLY OF MANITOBA

Monday, April 20, 1998

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