



Fourth Session - Thirty-Sixth Legislature

of the

Legislative Assembly of Manitoba

**DEBATES
and
PROCEEDINGS**

**Official Report
(Hansard)**

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Speaker*



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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.
DRIEDGER, Myrna	Charleswood	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.
JENNISSEN, 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.

LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, May 28, 1998

The House met at 10 a.m.

PRAYERS

ORDERS OF THE DAY

Hon. James McCrae (Government House Leader): Madam Speaker, I move, seconded by the honourable Deputy Premier (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.

Motion agreed to.

**COMMITTEE OF SUPPLY
(Concurrent Sections)**

JUSTICE

Mr. Chairperson (Gerry McAlpine): Order, please. Will the Committee of Supply please come to order. This morning, this section of the Committee of Supply meeting in Room 254 will resume consideration of the Estimates of the Department of Justice. When the committee last sat, it had been considering item 4.1. Administration and Finance (b) Executive Support (1) Salaries and Employee Benefits, of the Estimates book.

Chairperson's Rulings

Mr. Chairperson: Before we get into the proceedings, I have two rulings for committee.

On May 25, 1998, I took under advisement a point of order to review Hansard. The point of order was raised by the honourable member for Thompson (Mr. Ashton) regarding the relevancy of the comments made by the honourable Minister of Justice (Mr. Toews) in responding to a question posed by the honourable member for St. Johns (Mr. Mackintosh)

I have now had the opportunity to review Hansard. The honourable member for Thompson did have a point of order. Subrule 70(2) of our rules states that

both answers and questions in the Committee of Supply must be strictly relevant to the item under discussion.

I would ask the co-operation of all members to adhere to this rule when answering questions or posing questions in this committee.

On May 25, 1998, I took under advisement a point of order raised by the honourable Minister of Environment (Mr. McCrae).

It concerned words spoken by the honourable member for St. Johns (Mr. Mackintosh). The words were "Of course, the minister is not telling the truth . . . He knows well that that question was never asked nor is it being answered now—or has answered in the past."

I initially ruled that the honourable Minister of Environment did have a point of order, as the phrase "not telling the truth" has been ruled unparliamentary on several occasions. The honourable member for Thompson (Mr. Ashton) then raised a subsequent point of order to clarify the Chairperson's ruling. I then took the matter under advisement to review Hansard.

While Beauchesne does list "not telling the truth" as both an unparliamentary and parliamentary phrase, I would remind all members that Beauchesne Citation 491 states that "No language is, by virtue of any list, acceptable or unacceptable. A word which is parliamentary in one context may cause disorder in another context, and therefore be unparliamentary."

* (1010)

I would draw to the attention of the committee that the phrase "not telling the truth" has been ruled unparliamentary by several Manitoba Speakers. I would also draw to the attention of the committee that, in 1988, Speaker Rocan ruled that "To allege that a member has not told the truth or has misled the House is perhaps less than courteous. To allege that a member has done so deliberately, intentionally or knowingly is unparliamentary."

In this instance, the words used by the honourable member for St. Johns did contain the suggestion that the honourable Minister of Justice had deliberately, intentionally or knowingly not told the truth. In light of the above referenced rulings, I would again ask the member for St. Johns to withdraw the words.

Mr. Gord Mackintosh (St. Johns): I certainly withdraw, Mr. Chair.

Mr. Chairperson: We thank the honourable member for St. Johns for that.

* * *

Mr. Chairperson: Line 4.1.(b) Executive Support (1) Salaries and Employee Benefits. Shall the item pass?

Mr. Mackintosh: There are a few issues I want to canvass regarding the appointment of judges issue that has been the subject of this committee since it began meeting. I ask the minister whether it has been the practice when other reports from nominating committees have been prepared, that he has met with the Chief Judge to review the list or otherwise discuss the work of the nominating committee. I know, as early as a month or so ago, there was a report from the nominating committee in respect of a judicial appointment to the Provincial Court at The Pas.

Hon. Vic Toews (Minister of Justice and Attorney General): Yes, the practice has been, even before my becoming minister, that the Chief Judge brings the list to the minister, shows the list and certain discussions take place in respect to the list, and on both the occasions that I have been involved in, that in fact has taken place.

Mr. Mackintosh: Can the minister tell the committee whether he had reason to believe there was no bilingual candidate on the list of nominees from the nominating committee relating to the last two appointments?

Mr. Toews: I believe I have answered those questions and I stand by my answers.

Mr. Mackintosh: I do not believe that question has been asked specifically. I wonder if the minister can tell the committee, since he has made much ado about the appointment of a bilingual judge and the need for a bilingual judge which we are not taking issue with, of

course, what is the minister going to do now about the appointment of a further bilingual judge in Manitoba?

Mr. Toews: Well, in fact, I have instructed my staff to proceed with a new competition relating to another judge's position. Indeed, I have indicated as much to the Chief Judge as well, and we will be proceeding as quickly as possible on that issue.

Mr. Mackintosh: Can the minister describe the process that will be followed for the appointment of the bilingual judge, given that he, I know, is quite anxious about getting one appointed?

Mr. Toews: Well, the process that will be followed is the process that has been followed in the past. I will be communicating in one way or another with the Chief Judge in a formal way to advise her that the matter is proceeding. As I have indicated, I have already communicated to her in an informal way, but I will be communicating to her in a formal way that that process will be proceeding.

Mr. Mackintosh: Will the minister initiate the process with an Order-in-Council?

Mr. Toews: If that is the way it is done on every occasion in the past, that is the way I will do it again.

Mr. Mackintosh: Does the minister intend to, as well, direct correspondence to the Chief Judge to notify her that it is a bilingual judge that is being sought for this particular appointment?

Mr. Toews: I might just clarify. I do not believe there is an Order-in-Council that is necessary to designate the position. The only Order-in-Council that is necessary, as I understand it, is to designate the community members. So, if there is any confusion in respect of whether or not there needs to be an Order-in-Council for the position, there does not need to be an Order-in-Council for the position, but there does need to be an Order-in-Council for the three community members.

Mr. Mackintosh: I share that interpretation, but I ask is it the minister's intention to as well forward correspondence then to the Chief Judge to advise her that you are requesting, or the appointment is about a bilingual judge?

Mr. Toews: That is perhaps something that may well be advisable to do, and I thank the member for his advice in that respect. I do not know whether it has always been done, but perhaps that is a good suggestion, and I will discuss that issue with my deputy minister.

Mr. Mackintosh: Is the minister then saying that he is going to follow the established process for the appointment of judges when it comes to the appointment of a new bilingual judge?

Mr. Toews: Well, I guess one of the issues that has been raised over the last little while is what in fact is the established process. The legislation itself sets out certain legislative requirements, but does not detail the process. So, to indicate that there is an established process, I am not exactly sure whether there is an established process.

I know that, as a result of the first appointment that I was involved in, and that is the appointment of Mr. Brent Stewart to the court in The Pas, I met with none of the community members and, indeed, would have only had discussions with the Chief Judge. As a result of certain concerns that were raised, I met with community members, and we have been into that discussion in some great detail. I met with the community members and indicated to the community members some of the concerns that I had with respect to the appointment.

I think that, in view of the needs of the community and the concerns of the government in respect of the responsibilities that we have to fulfill, whether it is in a strictly legislative or constitutional sense—and in that context, I am speaking about the bilingual capacity of the court—as the member is aware, we are required to have an appropriate level of French language services in this province in our Provincial Court.

But there are broader issues beyond legal and constitutional issues that the community has a very important role in stating. For example, over the last number of years, increasing amounts, or increasing numbers, I should say, of women and minorities have been called to the bar. These groups—women and minorities—have contributed, in my opinion, significantly to the development of our legal system and

enhancement of our legal system, and I believe that they should not only be represented in the bar but indeed in our institutions of government, including the courts.

For example, when I first entered law school, it was one of the first years where women comprised about one-half of the law school class. Prior to that, women had not been represented very fully in the matter of being in law school; therefore, there was a real reluctance—or there was a real shortage of women in our legal system. I know over the years I was involved in the Manitoba Bar Association Task Force on Gender Equality looking at how we can enhance, specifically women's position, in our legal profession. So that is, I think, an important responsibility that government has.

* (1020)

I know that we look for qualified people of all types in our Attorney General's department, and we, I believe, are making genuine efforts to ensure that all groups, not just women, but minorities, are appropriately represented in government. I believe that, as our society becomes more and more multicultural, racially diverse, we also have that kind of responsibility as government to ensure that our bench, our legal system, reflects that diversity, and this is not to say that we give people advantages who are not deserving of them. I do not think anybody is saying that. We want to ensure that people are not at a disadvantage because of who they are, whether their sex or their racial background.

For example, I was very proud that our party was able to elect a very competent person in Charleswood. I know that the issue there was not whether government appoints someone. Government does not appoint people to the position of an MLA. Those people are elected. But I think in the same way that our party chose a very qualified woman among a field of four people, three of them being women, that was a remarkable event and, again, a reflection of what the community wants to see in our Legislature.

We were able to accomplish that through the political system by first of all choosing an appropriate nominee for the Charleswood candidacy, and secondly, the people of Charleswood, then, were faced with I think a very important choice. They were faced—as I under-

stand it, the three candidates there were two female and one male. A female was also the nominee for the Liberal Party and a male for the NDP party. I think people want to have that kind of choice, that our Legislature reflects not just a very narrow view or a narrow sampling of our population, but people want a broader sampling, and I think the Charleswood situation was one of those situations where that, in fact, occurred.

Now, in the same context, then, when we as government are faced with the responsibility, in this particular situation, of appointing people to the bench, we want to ensure that the committee consider nominees that are not simply the traditional people who have always been lawyers in this province. I do not think that I am overstating it by saying that most of them were white and most of them were male. Again, nothing wrong with that, but we have to ensure that whoever controls a particular profession, controls a particular occupation, does not use that power inappropriately. So, from time to time, we have to remind ourselves as government, ourselves as agencies, ourselves as nongovernment agencies that we need to be more inclusive as our country changes.

So one of the issues that arose as a result of The Pas appointment, I specifically received comments that why was it a male that was appointed in that particular situation, and that is a good question. The government chooses the candidate from the list presented, and that list, if it does not appropriately reflect or if it does not reflect a broader number of concerns in terms of issues of sex or race or ethnicity, does put the government into a position that is difficult to justify.

So when I met with the community members, I thought it was appropriate—and this was on the second one that I was involved in. As I indicated on the first one, I had not been involved and discussed with the community members at all. But with the second members, that was specifically something that I chose to raise with the community members that there are issues beyond legal qualification. There are issues beyond legal competence. Certainly, legal qualification, legal competence is very, very important, but there are all types of considerations that government has to take into account in making these

appointments. Now this is not spelled out in the legislation.

Mr. Edward Helwer, Acting Chairperson in the Chair

When I look at the manner in which appointments are made to various government boards, again I see the same principles reflected. One can go through list after list after list of names on government boards, and the thing that I am very proud of is the way that our government has chosen very deliberately, not forced by legislation, but chosen deliberately to be inclusive. This is not just an issue of rural-urban, but it is an issue of appropriate gender representation, appropriate racial representation, because many of our citizens who live in northern Manitoba, who may well feel alienated for a number of reasons from the mainstream of society and the mainstream of government, have not always had the opportunities to participate in government to the full extent that they should.

So I know that our government and I especially compliment our Minister of Native and Northern Affairs (Mr. Newman) who, I think, is a real advocate on behalf of not only northern Manitoba but of the various racial backgrounds, especially First Nations people who live in northern Manitoba and who are citizens of Manitoba, and because of various issues, some relating to the Constitution, some relating to geography, find themselves isolated from Manitoba. I think it is incumbent upon us then to draw these people into this mainstream of government. So, again, in the context of boards, whatever boards we talk about, we continuously attempt to ensure that there is appropriate representation.

* (1030)

Members might say, well, why is it important to have people of various racial backgrounds or different genders on the board so that there is equal gender representation? The way I always review it is why governments started boards in the beginning. If one goes back to the 1940s, the issue there was all of a sudden governments started passing legislation that created tribunals that implemented social policy. Why did governments not simply assign these responsibilities to the courts? I think the answer is fairly clear. The courts have a different role. They have a different task to perform. Their task was not so

much the implementation of social policy but indeed the implementation of the law as passed in a more objective way by the Legislature. So when the government or the Legislature created boards like the Labour Relations Board, they did not say, well, we will simply staff this with lawyers or we will simply staff this with judges. What they said is that we want to choose people who are representative of the labour community, and so they said we need to have people who are representative of the interests of business. We need people who are representative of the interests of employees, and then we need a more impartial, I guess, chair to do that.

The result of this, and one can see it not just in labour law, but one can see it in issues of the environment, the Municipal Board, all of these areas, is that people are drawn from different backgrounds. Government has either specifically in its legislation mandated certain types of people to sit on the boards and to be considered for these boards or they have done so through deliberate policy discussions while the appointment process is underway.

So in many respects I see this process here as being analogous. We are simply not choosing judges because they are excellent lawyers. They certainly are excellent lawyers; there are many excellent lawyers. But the broader community issue that needs to be addressed is: are these people also reflective of the values that we hold in our society? In a multicultural, multiracial society, that is a very difficult thing to do. So when we then look for these judges, we ensure that there are community members who understand these broader issues, that they can bring these broader considerations. No one disputes that.

For example, the Law Society or the Bar Association as lawyers have an interest in ensuring that the quality of the judiciary is maintained at a high level. But I would argue that just as importantly, the community has an interest to ensure that the judges that are appointed reflect certain realities in our society, because judges, like politicians, like the ordinary citizen, do not operate in a vacuum. They are all simply a product of many, many influences.

So the member asks, then, am I intending to follow the established process? Well, in The Pas situation, I

did not speak to the community members. I view that with some regret now, that I did not speak to the community members, because I think the community members do need at least to know what some of the concerns are of government with respect to some of these issues that I have outlined.

Mr. Chairperson in the Chair

So in the situation of the two most recent appointments, we certainly did take the position that the community members should be aware, because they are appointed by Lieutenant Governor in Council to represent the community and not simply their own interests, but that they are aware of the issues. For that reason I spent a long period of time at a particular meeting with two of these community members. Unfortunately, the third could not attend, and that too is unfortunate, but I did not think it appropriate that we meet with the members individually, and so I chose not to meet with that one person individually. I wanted to send the same message to all three community members.

The member asks: will I follow the established process? Well, unfortunately, the legislation does not, other than outlining a very broad legal framework, outline any specific process with respect to some of these very important issues that I consider government needs to address and that this committee needs to address in its deliberations. Again, ultimately, the decision on the basis of our legislation as to who is put forward is a decision of the entire committee, both the laypersons, the lawyers and the judges alike. So I intend to certainly follow that process that I have established. I am not aware whether the other ministers followed that particular process. I think it is a good one as we move into the new millennium, as we move into a new society that brings many, many of these issues to the forefront. We need to continue to be responsive to the needs of our citizens.

Mr. Mackintosh: Getting back on track here, I am wondering if the minister has had any discussions, or whether his staff has had discussions, with the Francophone legal community in so far as reviewing the procedures for the nomination or the appointment of judges and, in particular, regarding bilingual judges.

Mr. Toews: Well, I know that some of that discussion has taken place, not directly with me, but I know that, for example, in the last panel, there were Francophones on that panel, Mr. Joubert, and I do not know whether Ms. Suche is a Francophone. The name sounds Francophone, but I do not know whether or not she is a Francophone.

* (1040)

One of the issues that is being considered at this time which my deputy will be raising with me is not only whether there should be community members on this panel who are Francophones, but whether the Law Society and the Bar Association should consider, as they did on the last one, putting a Francophone on the nominating committee. So, again, I appreciate the member's advice. That is certainly something that I will bear in mind when I discuss with my deputy the appropriateness of any correspondence that will be going to the Chief Judge or indeed to any of the other associations that form a legislated part of the nominating process.

Mr. Mackintosh: Does the minister not think it is important, particularly to the Francophone community in Manitoba, that a bilingual judge should be the one best qualified, and the position should be open to all bilingual candidates who meet the statutory qualifications to ensure that the best candidate is selected?

Mr. Toews: Well, in fact, I do agree that the best candidate should get the job, but then the question is always: how does one determine who is the best candidate? Now I imagine if you sat down with the Francophone community and talked to them about who the best candidate would be, I imagine a lot of them—because I have had some discussions in this respect with members of the Francophone community when we met on other issues relating to other reports dealing with French language services in this province—some would say that it is not only the ability to speak French that is important but also the cultural background of these people. That would make them the best candidate.

I am not so sure that I necessarily agree with the fact that in order to be a French-speaking judge or a

bilingual judge in this province, one should necessarily be only of a Francophone background, Manitoba Francophone background, because I know that we have many, many qualified people in this province who are not what one would traditionally consider Francophones from Manitoba. My understanding is that the former Chief Justice of this province, Chief Justice Alfred Monnin, was actually of Swiss background but spoke French. So, whether one would consider him Franco-Manitoban in the, I guess, traditional sense of it could be the subject of quite a discussion. Both of his sons, Mr. Justice Monnin, Mich Monnin, and Mr. Justice Marc Monnin, again, are very qualified jurists, excellent judges, and yet they grew up in St. Boniface, the sons of a person who would not be traditionally called a Franco-Manitoban. Again, I would not want to simply exclude someone from that process because they were not Franco-Manitoban. I would want to make sure that the committee looked at all bilingual people.

I know, for example, there was a member of my staff who is on leave presently but does not come from a Franco-Manitoban background. That member of my staff lived in St. Norbert but was not Franco-Manitoban, spoke French fluently, and indeed was often interviewed on French CBC television or radio. Now that kind of a person, in my opinion, should not be excluded by a committee considering a bilingual position because he did not come from a certain racial or cultural background. I know people in my own family are, if not bilingual, almost bilingual, not just only speaking German or another language, but some of them speak French and quite fluently. So, again, if someone coming from, let us say, a Mennonite background who spoke French but was sensitive to issues relating to our Constitution, our cultural and educational guarantees in our Constitution, not only the Charter of Rights in the 1982 Constitution, but our Manitoba Act, 1870, I think that he or she would also be a person whom I would consider the best.

You know, a lawyer might say, well, I would consider someone who could speak French and was trained in a university where he took his training in French, his legal training in French. I do not care what the cultural background is; that is the person I would consider the best for the job. That is why I think we have a number of people on the committee, community members, and not just Francophones, but also some

Francophones, I think, should be there, in order to ensure that all of these qualities are considered. Then, as a whole, the group arrives at a consensus as to what members should be forwarded on to the government for its consideration.

Then, again, once the list has been given to the government, there may be other issues as to who is the best candidate. The government may look at the six or seven names submitted or three or whatever the number is, because under the legislation for each position there are three to six permitted, and the government may assign different priorities, different from what even the committee did. So choosing on that list, for example, maybe the committee would have rated somebody No. 6 as opposed to No. 1. I do not believe as a practice they do rate it. They simply send a list in alphabetical order of the names for choice. But let us assume that even amongst themselves there was some kind of a rating system. Well, I do not think it is incumbent upon government then to determine, well, who was rated what and proceed accordingly. Again, government will consider these issues and make its own choice on the basis of the names submitted.

So the member asks do I want the best person on the bench? Absolutely, I want the best person on the bench. How does one achieve and identify who the best person is? That is always contentious. So I think that not just legislative criteria are important, but other criteria, some of the criteria that I went into in some detail here the other day, are also very important. Whether that should be put into the legislation or not is another issue. I do not want to be overly restrictive in any legislated direction. I think ultimately people have to be given a choice and some discretion as to who to recommend.

* (1050)

I remember, and this is perhaps one of my grave, grave concerns that I have with legislation, one of the cases that I was involved in, I spoke to a certain professional person who had at first resisted the coming into force of a certain act because that person believed that the act would be too difficult to administer. When I talked to that person after the act was in force and all these criteria were outlined in the statute, the person said to me, well, the legislation has now made it very easy for me to do my job. I just go down a checklist,

check off a couple of things. I have complied with the legislation, and now I have met the requirements of the legislation.

But what the person also indicated is that they no longer had to make a professional opinion. So I thought to myself, well, what are we doing? Are we passing legislation so that robots make decisions? I still think there will always be an element of individuality and uniqueness that legislation should not attempt to address, because in doing so it may be overly restrictive and, in fact, defeat the intended purpose of achieving the best candidate.

So there needs to be a balance, I believe, between what legislators through legislation can accomplish and what a process should accomplish in terms of identifying the best person.

Mr. Mackintosh: Did the minister not make an announcement to the bilingual community of lawyers that he intended to review and revise the procedures for the appointment of a bilingual judge? Would he explain that, and if he agrees he made such an announcement, when did he make that announcement?

Mr. Toews: Well, I know the member is referring to a particular news article. I am not exactly sure what news article it was, but I had a conversation with a number of Franco-Manitoban jurists who expressed certain concerns. Indeed, during the meetings with those people, I did indicate that we are looking at that issue. In fact, that is part of the discussions that will occur in the next number of days with my deputy minister as to how do we more effectively bring the French-speaking community into the process when these decisions are made.

Now, I do not recall making any specific commitments in terms of legislation to that particular group but, again, I would not rule out legislation. I think, as I have indicated earlier, process can be established without legislation that ensures that the diverse interests of Manitobans are met.

I think, for example, the issue of gender equality is always a very sensitive one and how one approaches that. For example, I am not a person who would like to see in any particular situation legislation compelling a

certain number of women or a certain number of men, but I think that that is an important consideration that any committee, whether it is in the civil service or indeed in the private sector, needs to consider. They need to ensure that people who have been traditionally excluded from areas of government, areas of industry, are not excluded for reasons that are not relevant to the performance of a particular job, and that is a very difficult job to try to accomplish.

So I view the issue of bilingualism in Manitoba in much the same way. Part of it, though, is complicated in Manitoba because of the constitutional requirements in our province. Both governments and courts, one is allowed to use either French or English, and again the Supreme Court of Canada has ruled in respect of that issue, and I do not want to get into the details of that but, again, that has complicated the issue quite extensively. The other complicating matter is the matter of the Criminal Code, which also guarantees certain types of rights.

So I prefer to move on this issue in an evolutionary manner to ensure that we are inclusive. Again, as I have talked to members of the Francophone community about this issue, I hope that those discussions continue. We want to ensure that their legitimate legal, constitutional, and cultural needs are met as the needs of others in our society are also met. So I do recall having a discussion with this jurists group in my office. I recall there being, oh, perhaps seven or eight people there as well as myself, and, generally speaking, they were quite pleased with the government's position in respect of many things.

One of the things that they, of course, mentioned and I certainly mentioned was that a report that had been done which called for the implementation of certain French language strategies be delayed for five years. Well, Manitoba did not need to delay the implementation over five years because of our unique history, our unique Constitution, our unique cultural situation. We had already proceeded to that point where we felt comfortable overnight, essentially implementing these reforms to the extent that they had already not been implemented.

By and large, most of the things recommended in that particular report had already been implemented. Our

only objection to the report was: why do we need to wait five years? The answer to that was that the other provinces were not as far advanced as Manitoba was in respect of that particular issue.

* (1100)

Mr. Mackintosh: The minister I think wants to avoid this question, and it is a simple one. Did he not announce his intention to the Francophone community, particularly the Francophone lawyers, that even before the issue arose about the meeting with the Chief Judge, he had said that he was looking at a new process for the appointment of a bilingual judge or a revised process?

Mr. Toews: I think we in fact did discuss that, so I am not denying that. In fact, as I have indicated, that will be the subject of a discussion between myself and the deputy minister over the next number of days, certainly within the next week, in terms of making certain—how can I say, not changes, because at this time I am not looking at changing the legislation immediately, but certainly I still want to be mindful of those needs, and there may well be certain changes made as to the representation within the existing legal framework to ensure that Francophone needs are met. So I do believe that I indicated to them that any changes that would be made would involve further discussions with their groups.

Mr. Mackintosh: How could the minister have engaged in discussions like this announce his intention to put in place a more effective method of ensuring bilingual capacity on the bench when then he says, well, he was looking at the list of candidates already prepared by the nominating committee and trying to convert that process after the fact into one which was to appoint a bilingual judge? Either he was intending to put in place even before this nominating committee reported a new process, or—I mean, what is the story? What was he doing?

Mr. Toews: As I recall, I was having a broad-ranging discussion with these particular individuals about French language services in our courts, and that was one of the issues that was raised.

Mr. Mackintosh: Is the minister going to go ahead with a new nominating committee then for a bilingual

judge in the next few weeks or few months, or what are his time lines?

Mr. Toews: Oh, if that is the question, because I did not understand the question that was being put to me. I have indicated that within the next few days I will be, I guess, ironing out the details of the process that will be followed especially in respect of ensuring appropriate representation on that board that will look at the appointment of a bilingual judge. But I did not mean to leave the impression, and I hope I did not leave the impression that I was thinking of changing the law in the next few days in order to accomplish that. That is certainly not within my power. But, again, that is why I went into that big, long discussion, a discussion that I thought was very, very relevant to the point that to what extent do you change legislation, because the more you add detail to legislation, the less discretion you leave to, let us say, committee members to exercise their own professional, individual decisions. So that is always the balance that needs to be achieved.

I know that over the last number of months there have been discussions about changing the legislation. The issue though in respect of this particular appointment for a bilingual judge in my opinion will not require a legislative change because we simply do not have the time to change the legislation, to debate new legislation in that respect. I think that what I want to ensure is that the process is crystal clear so that people understand what the process is and to see how much can be accomplished in the context of that process. For example, if the committee came back to me after I had made my government's need for a bilingual judge very clearly known, and the committee said: we just did not find anybody who was suitable to be bilingual, but here is a list of people who are very qualified Manitobans and maybe what you should do is send them to French language training for two or three years.

Well, if that kind of thing occurred, I know what the member for St. Johns would say. He would say, well, you know, you wanted a bilingual judge and did not tell the committee how to do it. What you have got to do now is send one of those people on a two-to-three-year training course to do French language training. Again, and I am being a little facetious here, but I am just trying to make the point that there are legitimate needs

that the government has in terms of meeting its constitutional and legal responsibilities. Frankly, if the committee then came back with a solution that was not a practical one, I would have to say to my cabinet colleagues: well, do we either send the person on a three-year language training course, or do we ignore the committee's recommendations and start a new process?

Again, that is not spelled out in the legislation, so I think that in working very closely on this particular issue with the Franco-Manitoban representatives—and I am not speaking specifically of the society, but Franco-Manitobans generally or bilingual people generally—maybe this can be worked out.

But I am thinking of broader issues. For example, let us say in the future there is a pressing need in our community to have more culturally appropriate members of the judiciary, especially—and I am talking in the First Nations context, and these are recommendations that were made to us by Justice Hamilton and Judge Murray Sinclair. Now, I know that our government in northern communities specifically seeks out First Nations people. We do not make any apologies about that; there is the northern magistrates program where we have just hired a magistrate. We specifically hired a First Nations person, and does the legislation authorize it? I do not know. Does the legislation prohibit it? I do not think so because of, again, a legitimate government concern that needs to be addressed, and we are addressing it.

So do we need legislative changes then to spell out all of these issues. Is the person First Nations? Is the person female? Is the person bilingual? Does the person come from another group that perhaps has been underrepresented in our government or in our courts or in our other agencies? I am concerned about outlining that in legislation.

One of the other ways, I think, of doing it is through various protocols and entering into protocols with members of various communities and saying that where we are specifically looking for a person to fill a certain cultural need that is in addition to the legal requirements, how do we go about identifying such a person? I know that people on the outside of any cultural or ethnic group often look at that cultural or

ethnic group as being one bloc or a monolith, and we know that that is not correct.

* (1110)

For example, in my own cultural background, being a Mennonite, in Canada I understand that there are approximately 26 different sects of Mennonites. Now, to the outsider looking at a person who is a Mennonite, they say, well, a Mennonite is a Mennonite. Well, that is not quite so. Some would argue about whether you should have organs in churches or whether you should stick with pianos or whether you should have a pulpit in the church. Some say you should not have a pulpit in the church, and some insist that there be no carpeting in the church, and some have other views on more substantive issues. For example, some Mennonites would be allowed to smoke and drink; others would not.

All I am saying—and the member for Transcona (Mr. Reid) is indicating what is the relevance. The relevance is it is not always that easy to look at a cultural group and say, well, we will just put somebody on the committee who has the same last name as that cultural group, and that will satisfy them because, well, that is where that person is from. It is much more difficult, I think, and needs to be treated in a much more sensitive fashion than that.

So am I interested in working with the Franco-Manitoban citizens in ensuring that their legitimate needs in Manitoba are met? Yes, I am. Am I committed to any particular process that cannot change? No, but I think that that process does require ongoing consultation with them and with other groups; for example, women's groups. Women's groups might say simply to appoint a Francophone male does not answer our concerns, so we need to involve a number of groups in these discussions to ensure that we, in fact, are sensitive to that.

The overriding point that I want to make is that ultimately it is cabinet, then, who makes its choice among the candidates presented, and, again, we review all of the issues to ensure that an appropriate person is appointed. I do not necessarily believe that legislation is always the best answer. In some cases, I think that it

is not the best answer, but I do believe that a clear process is important.

That was one of the things that was pointed out in an editorial in the Winnipeg Free Press that I found very, very interesting, where it talked about how does government meet its legitimate concerns when legislation does not spell that out, and nor should legislation always spell that out. I found that particular editorial very instructive, and, certainly, it has influenced my thinking in terms of whether we need, absolutely, legislative change or whether this can be done in a procedural way with the substantive input of those groups who may well be affected.

One of the points that was raised as well, look, you are always talking here about bilingual judges or Francophone judges. These judges will also give judgment in cases where there are non-Francophones. I mean, we do not simply say, oh, well, this is a Francophone person, therefore only Francophones appear in front of him or her. That is clearly not the way it is. I think there are some real exciting challenges coming up in the next little while, which I had an opportunity to discuss with these French-Canadian jurists, these Franco-Manitoban jurists, about how we more effectively focus French language services in the courts to ensure that not just the dry legalism of the Constitution or various statutes is met but the spirit of these statutes are met.

What I found in speaking to them is really how flexible and how practical these people were, that they wanted real, practical solutions. They simply were not interested in just applying the letter of the law and allowing that to then dictate the way services are provided. Services should be provided to the people so that a specific need is met. I think these members of the Franco-Manitoban community recognize that, so I look forward to working with them in respect of any particular issues that they may want to raise.

Mr. Mackintosh: Mr. Chair, it is our view that there have to be changes to the way that judges are appointed in this province. Indeed we espoused that in the last election campaign, and that we believe the change to the appointment process is necessary through legislative change as well as procedural change. Now, I understand the minister had drafted amendments to The

Provincial Court Act in respect of the appointment process, and I am wondering why the minister is not proceeding with those amendments now. We, as an opposition, certainly would be open to prioritizing consideration of any such legislation, I am relatively confident in saying.

Mr. Toews: I think that is very, very helpful coming from the member. What I did not want is that legislation then to become a political football, as being seen as somehow punishing one group or another, or casting aspirations on one group or another because there are large, large issues. One of the things that I believe is very important that we need to discuss, and it is not a simple amendment and that is what is giving me some difficulty, is how do we have people, the general public, have a more substantive input into how judges are appointed.

I just want to leave it at that issue for now, because I do not want to get into some of the other issues that have been raised in the last little while, issues relating to accountability or elections or terms. I mean these are not issues that I have ever specifically said I support, but I think that those are all worth discussing. I do not think that our act needs those types of changes without very, very thorough examination of the implications of that.

But one of the things that I think needs to be done is in the appointment process. Is this not a remarkable opportunity for having ordinary citizens come before a panel of people and saying that these are our concerns with the justice system? When you as a panel are going to seek a judicial candidate, these are the kinds of things we want you to look at. So, in effect, what would be happening is not just the Minister of Justice meeting with community representatives and saying that the broader legitimate concerns of government, including its citizens, involve this, this or that. No. But could you imagine a situation where we have all the members of that nominating committee, all seven of them, sitting there before they enter into their deliberations about who should be appointed, hearing from the ordinary citizen about what their concerns are, what their beliefs are, how the system could be improved?

* (1120)

It could be a wide-ranging discussion. Here are some of the concerns I had because it would be the Chief Judge sitting there as a chair, and the Chief Judge might have some real reluctance to be involved in that kind of a discussion. So it might just be one-way discussion in terms of the citizens expressing their view to the members of the committee, but would not that be a wonderful way of ensuring that members of the committee and the legal community in general know about the views of the citizens and the concerns, one of the ways of keeping in touch?

I might indicate that we have that kind of a scenario, which I think has a lot of merit. The other one is sort of a screening process of individual candidates by politicians.

I have some concern about that because, for example, one of the reasons why our Provincial Court Act emphasizes confidentiality is if a person chooses to apply, there are all kinds of implications for that person's business. Whether they are a lawyer or whether they are in government or whether they are in a private corporation, many good candidates would not want necessarily to put themselves forward to be grilled by citizens, because they may feel a reluctance to announce publicly to their partners that they are interested in leaving the practice of law. That could have some serious ramifications if they were not successful. It has serious ramifications in their relationship with their partners, in their relationship with their clients. The clients might say, what is wrong with us? Why does this person not want to work with us anymore? So those are part of the broader issues and considerations that need to be done.

So while the member indicates that he would be supportive of changes where the public has a greater input, I want to say I wholeheartedly agree. If anything, that has been the main thrust of any of my comments over the last little while. I know that the judges in many respects are being responsive. They are looking at changes within their own institution, but often it is difficult, and I know this from government itself, if one simply looks at change from within the institution.

Sometimes it is important to bring people from outside the institution to examine what is being done. For that reason, members of the opposition and indeed

governments agree often to bring in somebody from the outside to give a particular opinion or to provide legal advice or to analyze a certain system. I think nowhere is that more important than in our democratic system itself that citizens simply should not have the right to vote once every four or five years. It is very important. We remain accountable that way. We remain responsive to our citizens that way. But there are other ways of having citizens participate in the running of the daily affairs of government. It was for that reason that our Legislature—almost unique in Canada and I think it is unique in Canada—between second and third readings, we have public hearings on legislation. Every piece of legislation goes to a public hearing. I am not aware of any other province or, indeed, whether the federal government has that kind of situation.

Again, I think it has been of tremendous benefit for me as a minister to sit, after we have thrashed out legislation in caucus or in cabinet or with my staff, to hear the ordinary citizen come by between second and third readings and say: you made a mistake; you did not consider this. So citizen input, I think, is absolutely essential and needs to be enhanced in many areas of government.

The nominating committee was, in fact, an attempt under The Provincial Court Act to bring in more citizen participation. I think to some extent that is successful; I think though that we can do better. So the changes that perhaps need to be made are not in any way to impugn the integrity of the existing system, because I think there are some very good points about the existing system, but there are definitely certain shortcomings.

One of the shortcomings is: how does the ordinary voice of the citizen on the street, who has a legitimate concern and yet has not been fortunate enough to be one of the members of this nominating committee, get to express his or her opinion? I know that many of these citizens write me. They let me know through petitions, through letters, through e-mail, about how they see their participation in the legal system and how the nomination of judges should occur.

Now, just before I close off the answer to this question, right at about the time we were discussing this issue of whether the present legislative process under The Provincial Court Act meets some of these citizen

concerns, I note that the Reform Party brought out a document that addresses a number of issues.

One of the issues that it does address is the issue of the responsiveness of the courts to citizens generally, and there were certain recommendations made. Again, I do not necessarily agree with the statements there, but I think the discussion is an important one to have, that our institutions, including our legal system, needs to evolve along with our society. So that document done by the Reform Party is an important contribution to that discussion. Members may not agree with the solutions proposed, but the discussion is important.

I mean, that is why we have opposition members in the Legislature. I do not necessarily agree with what the opposition says, but, again, here I heard today the member for St Johns (Mr. Mackintosh) saying he agrees that there should be greater citizen participation in the judicial nominating process, and that is something I certainly have a great deal of sympathy with. The question is how do we fashion that vehicle? How do we ensure that citizen participation occurs without undermining the independence of the judiciary? That to me is important.

Responsiveness does not mean destroying the integrity of the court system. One can still be independent and responsive. So, since 1981, we have had the Charter of Rights. It has fundamentally changed our legal system. It has fundamentally changed our political system. We are no longer living in a parliamentary democracy. We are living in a constitutional democracy which has involved a massive shift of power from elected people to appointed people, and when that occurred, I do not think everybody foresaw all of the possible consequences. So no one, including politicians, should feel ashamed of saying, you know, we might not have done everything right back in 1981 or 1982. So we need to continually analyze our institutions, the constitutional documents that they are based on, and, indeed, the legislation that flows out of our constitutional documents.

So I thank the member for his comments, and I certainly will bear that in mind. Indeed, there may well be something that we can do. Again, I cannot make any promises for this legislative session, but I am glad to hear that the member for St. Johns (Mr. Mackintosh) is

supportive of the idea that we enhance citizen participation, in the nomination process at least.

* (1130)

Mr. Mackintosh: Of course, it is no surprise to the minister. I mean, it has been our position for some time. Indeed, I was just on public radio recently. I kind of suspect that might have triggered some of the statements by the minister lately, but statements that were not made in the context of pointing fingers but rather in the context of a need to better democratize and have a representative judiciary.

I ask the minister, rather than simply musing about the appointment of judges, why will he not bring in his proposals, especially when he has draft legislation. What is stopping him from bringing the legislation into the Assembly, or, alternatively, would he share the draft legislation with the opposition?

Mr. Toews: Well, I can only honestly say that there are a number of issues that need to be addressed before that legislation is in a position that can be brought forward. Initially, my thoughts were that we simply change The Provincial Court Act as a result of the Supreme Court of Canada decision in the judge's case. I never know what the name of it is, but it is the judge's case regarding the payment of money to judges and the establishment of the committees to determine the appropriate salary ranges for judges. So I think everybody knows the case I am talking about.

I had occasion to go through that decision at some length; I know I raised it here earlier. When one looks at the majority judgment of Chief Justice Lamer—and I read it in great detail a few weeks ago—there is not just the theme that is running through the judgment of the independence of the judiciary, but there is the general theme of separation of powers, that is, the independence of the executive from the judiciary. Those are two separate, constitutionally mandated organisms in our parliamentary democracy—or our constitutional democracy now. So my first concern, of course, when the Supreme Court of Canada decision came out, is not just the issue of paying judges. That is, in many respects, a secondary issue, and that is what the Chief Justice says over and over again. This is not

just simply an issue of paying judges. This is to ensure that the separation of powers remains intact.

This decision reflects, I think, the thinking of many American jurists where the Congress passed certain laws in the last little while that required, and this is a federal law, state officials to enforce it. The U.S. Supreme Court said that this is destructive of the separation of powers between the federal legislative bodies and the state legislative bodies. Not only that, it was destructive of the powers of the President. What they said is that, when one is unclear in who is doing what, what branch of government is doing what, it leads to confusion in the minds of the citizens, and it leads to the undermining of constitutional government.

I think that, if one reads Chief Justice Lamer's decision, even if one does not agree with the result—and certainly Justice La Forest did not agree that it was an appropriate result—for myself, the importance of that decision is how we need to keep the executive and the judiciary separate. So it was not completely unrelated that I had a discussion with my staff when I found out that in respect of a civil service appointment within government a judge had sat on that civil service appointment committee, and that concerned me tremendously, because, even though the person that was being hired by government would work in the courts, what concerned me is that the judge was, in fact, exercising an executive or at least a civil service function. It could, therefore, mean that he might be compromising his or her judicial function.

That certainly was not the case that they were, but, again, the perception that occurs, I think, is one that needs to be avoided, and so we have the same question arising then in the context of The Provincial Court Act. I think there is a role for the judiciary in that nominating process. Whether it is in the present role or not, I do not know, and I am not suggesting that there is anything improper or unconstitutional about it. But the Supreme Court of Canada has been very clear that the executive and the judicial need to remain separate, and so here we are passing legislation that then ties the two together.

We have heard members opposite saying that my actions, in one way or another, have compromised judicial independence when, in fact, the issue has got

nothing to do with judicial independence, because the Chief Judge was not acting as a judge, but was, in fact, acting as a member of a nominating committee, nothing to do with judicial independence. So one can see how in this particular situation confusion arises as to the role of the judge and the role of the executive, and I am wondering whether it is fair to the judiciary to put them into that kind of position.

I know that very recently—and this is probably something we can get into a little later, but a very, very important point—the Chief Justice of Canada has stated that members of the judiciary, the federal judiciary, because he essentially controls the federal judiciary, should not participate on any more commissions or fact-finding commissions. Why did the Chief Judge say that judges, sitting judges, will no longer be allowed to participate in that kind of activity? I think it flows right out the Supreme Court of Canada decision that there has to be a separation of the executive and the judiciary.

* (1140)

Even when we talk about inquiries—and I know we had the Hughes Inquiry here, for example. Now Ted Hughes is a retired justice, but whenever someone wants to say, well, this is what should be done because it is Mr. Justice Hughes who said it, they rely on the integrity of the office that he formerly occupied as a judge, and I think that is a very dangerous thing to do. We respect Mr. Hughes because of who he is as a person, but we should not bring in the judicial aspect of him, because I think then again in the minds of people that it becomes confusing: well, a judge told you to do this, and why are you not doing it? When in fact he was not appointed in any judicial capacity in the sense of being a judge of a superior court or an inferior court, but in fact he was appointed because he had certain expertise. So there is always that danger.

I know that our government is no stranger to that practice of appointing sitting judges. We have seen it in the context of the Aboriginal Justice Inquiry where Mr. Justice Hamilton was appointed and Judge Murray Sinclair was appointed. Again, according to this decision of the Chief Justice, Justice Hamilton would not be allowed to do that today because of these concerns. I think they arose out of certain incidents

that occurred in Ontario, specifically relating to the blood inquiry, the Krever inquiry, and so one can see just in that kind of situation how confusing it was.

But let us take another example that needs to be pointed out in order to get right back to the question that the member asked about what changes you want to see done in order to enhance citizen participation. Well, when this government appointed Mr. Justice Schulman, he made a number of recommendations, recommendations that were, within months, accepted and indeed, to some extent, implemented, in very short order. Now, again, it was not Commissioner Schulman that it was referred to. In fact, it was Mr. Justice Schulman's report, and Mr. Justice Schulman made certain recommendations, very good recommendations I believe. But some of the recommendations that government accepted and attempted to implement, other judges then said no, that is not an appropriate thing to do and we do not agree to that implementation. Those judges of course had that right to say that because of their prominence in running the court.

So here we are put into an embarrassing position of a judge recommending something, we agreeing with it, and other judges rejecting it. What that does then, especially when it affects two different levels of judges, you have judges, perhaps in the minds of citizens, pointing fingers at each other and saying this should be done, and another judge said, no, this should be done, and the government caught in the middle of that recommendation. So I think the direction of the Chief Justice is a good one. I think because it deals only with federal judges, we now have to look on a provincial level to say is what is occurring here also a difficulty. Does it create the same kinds of difficulties that the Chief Justice identified and therefore said that sitting judges should no longer do that kind of activity?

And I understand where he is coming from, given the Krever report, given his judgment in the case involving the payment of provincial judges and the establishment of commissions. So, I find that the further and further I get into this, it is not that I, in any way, want to abandon the principle of citizen participation in the enhanced democratization of the nomination process. I think that is an important goal. But there is also a very legitimate role for the courts in that role. How does one enhance citizen participation without

undermining what every citizen also holds dearly, the issue of the right to get a fair trial? Because that is what I am concerned about. I want everybody who comes into the courts to have a fair trial.

So it is not simply then a matter of removing all the judges from the nominating process, but are there other ways of doing it. For example, one of the suggestions that was made to me in my discussions was, well, why do you not simply have citizens and the Law Society and the Bar Association on a committee. Have some kind of an independent chair, but that independent chair should not be a judge. Some other well-recognized person, you know, who the community in general would accept as saying this person is accepted, is respected. Very, very important. Then once that nominating committee goes through its process, and that process then, as I have said earlier, could involve citizen participation even before the screening of applicants by the making of submissions. Once a list of names or group of names has been identified, well, then, why could the judges at that point not be brought into it in terms of some of the legitimate concerns that they might have? So they might review a list and say, well, we are accepting of that, but we have this and this concern about this and that individual. Then that in fact—they would not be able to veto a name but their input again—or indeed the Chief Judge might say I have a concern about the fact that none of these names include a bilingual person or none of them include a woman or none of them include a visible minority or a First Nations person.

I mean, that might be a legitimate concern for the judge to raise, given their particular needs. For example, I referenced earlier the magistrates' position in northern Manitoba where we hired a First Nations person; absolutely essential, I think, in order to implement some of the recommendations of the AJI that that occur. Yet if we had a nominating committee totally independent of government and they chose not to have that kind of a person, we might be desiring to implement certain social policy but would be unable to do so given that that person does not fit the needs of a particular community.

So those are some of the issues that need to be struggled with, discussed. Maybe it should not be brought forward as a piece of legislation at this time.

Maybe it should be brought forward as some kind of a white paper for discussion, so that the communities and people have an opportunity to consider alternatives, ideas, indeed so that even the judges can participate in that discussion in an appropriate way, because I think the judges have a very real concern.

I noted from the Chief Justice's annual report, he stated that elections might merely substitute popularity for competence, I believe were the words. Now, that is an interesting discussion, just that phrase in itself, because I sort of read that, and I said, well, you know, I was elected democratically, and others in this Legislature, 56 others, were elected democratically. I believe the majority of those elected believe that they were elected for reasons of competence. I certainly know our newest member, the member for Charleswood (Mrs. Driedger), was elected for that reason. Even as much as I might disagree with members of the opposition, I believe that they believe they were elected not just because they are good people and popular in their community but that they are also competent and that they have something to contribute; in some cases less than others, but that is a political difference.

That is why I saw that document by the Chief Justice as a very progressive document. I think it is a very, very positive step that the Chief Justice issued that kind of report, because he asked all the questions right at the beginning of that report. What does a judge do? What is judicial independence? These are very, very important questions for the justice to be asking and answering as part of a greater discussion.

* (1150)

So the member says, well, why do you not simply bring forward some legislation? I think it might not be a bad idea to reflect very carefully, given what the Chief Justice has said about how this kind of thing should occur.

I want to indicate that I know the member for St. Johns (Mr. Mackintosh) indicates that he should receive some of the credit for some of these ideas. I do not know, maybe through the process of osmosis I may have acquired some of those ideas. I do not recall him speaking publicly on public radio about this issue, but

I know that I have talked to my colleague John Havelock, the Attorney General of Alberta, as early as last year about this whole issue, about the courts and how judges are appointed and that issue.

He is embarking upon what I think is a very, very productive inquiry. It involves not simply members of government discussing a bill in the Legislature, but it is bringing in community members for that discussion, not just community members but indeed members of the judiciary and members of the bar, members of the Law Society. It is a long, extensive list of people who will participate in trying to answer some of those very, very fundamental questions, questions that the Chief Justice raised in his annual report. I am looking forward, indeed, to participating in that, when there is a public forum in that next year, early next year. So I look forward to that.

I know that many members or many attorneys general have also raised that particular issue. When I discussed this issue with the attorney general of Alberta last year, I had also discussed it with Mr. Charles Harnick, the attorney general of Ontario, and Mitch Murphy, the attorney general of P.E.I., as well as the attorney general of the Yukon, Lois Moorcroft, who again raises very similar issues, and certainly not a member of the same political party that I am in, but the issue raised was identical. So the entire theme back in December of our meeting of all the attorneys general is how do we restore public confidence in the justice system.

I know federal Justice Minister Anne McLellan brought forward certain statistics that indicated what people thought about the justice system. I can tell you at the top of the list in terms of confidence were the confidence that people had in their police forces, absolutely right across the country, not just the RCMP. We always think about the RCMP, and say you know there is that image of this federal police force that is a wonderful police force, and we all know it is. Well known, I think there are about 350 Hollywood movies made involving RCMP officers, but the municipal police forces did essentially as well as the RCMP. So we know that was at the top of the list.

I can tell you what was right at the bottom of the list and before anybody starts guessing, I will tell you it was the Young Offenders Act as one of the instruments

or pieces of legislation or components of the justice system that caused people to have a lack of faith in our justice system. The approval rate of the Young Offenders Act was at about 12 percent in the western provinces, quite an astounding figure when you realize people simply have no faith in that legislation and that legislation then undermines the people's faith in the entire justice system.

So we have to move proactively as our government has encouraged Anne McLellan to do to change the Young Offenders Act, not simply to be punitive but also to ensure that there are community-based solutions to very, very serious problems.

The other point, of course, is as the federal government continues to do this and send more programs to the provinces, they continue to cut the funding and that is very, very unfortunate. On the one hand they talk about being committed to ideas of community justice, On the other hand they continue to cut programming and they are no longer the equal partner that Confederation envisaged the provinces and the federal government to be. They, in fact, tell us that they are the senior level of government and they will do what is best for Canada, even though that involves telling constitutionally independent provinces what to do in their own area of jurisdiction, and that is very, very unfortunate.

I do have some measure of faith in this federal justice minister, Anne McLellan. I believe she is listening, but I believe there are many in her caucus who are not listening to the people of Canada. I believe we need to encourage Anne McLellan to move in the direction, both legislatively and fiscally, that I believe that she thinks she should be going in. I believe that she thinks she should be an equal partner, that we should be equal partners, that it should not be unilateral federalism, but that there should be co-operative federalism. That is an impression that I have received in talking to her. I think that she, however, needs more encouragement from the provinces to continue moving in that direction.

I know that there were a number of other things that I wanted to discuss on this particular issue in relating to how we bring more citizen participation into this important process. Again, having reviewed some of the drafts of legislation that I have seen, comments that

have been made, I have come to the conclusion that it would almost be presumptuous of me to suggest this is the direction that the Legislature should move in. I am encouraged by the discussions or the paper that the Chief Justice put out as a very, very positive step, that we need to think about different points of view, the citizens who elected us, we as politicians who serve those people in the Legislature every day, and the judges who form an important component of our entire constitutional framework.

So I think, with those few thoughts then, I would leave myself open for another question.

Mr. Mackintosh: How many vacancies are currently on the Provincial Court once the current two appointments are made?

Mr. Toews: Well, that is an interesting question as to how many vacancies there are.

Mr. Chairperson: Order, please. The time being 12 noon, I am interrupting the proceedings. The Committee of Supply will resume sitting this afternoon following the conclusion of Routine Proceedings.

* (1000)

INDUSTRY, TRADE AND TOURISM

Mr. Chairperson (Ben Sveinson): Good morning. Will the Committee of Supply please come to order. The committee will be resuming consideration of the Estimates of the Department of Industry, Trade and Tourism. When the committee last sat it had been considering item 10.2.(c)(1) on page 91. Shall the item pass?

The minister's staff can come forward now, if you would, please. The minister might want to introduce his staff present or, at least, those that he has not introduced already.

Hon. James Downey (Minister of Industry, Trade and Tourism): Yes, Mr. Chairman, we have as well today Mr. Garry Hastings, with Manitoba Trade, who is with us, as well as, my deputy, Murray Cormack, and Mr. Jack Dalgliesh, who were here before.

Mr. Tim Sale (Crescentwood): I have a couple of questions in regard to the developing—I suppose we could call it a crisis or at least the unrest in Eastern Bloc and Asian markets, in particular, but certainly a lot of volatility in Latin America as well. What is the exposure of Manitoba's export trade to the markets that are most unsettled at the present time? I am thinking of Asia, Russia and the Eastern Bloc, Mr. Chairperson.

Mr. Downey: Mr. Chair, maybe he could clarify when he uses the word “exposure.” What do you mean by the word “exposure”? Is that the amount of trade we are now doing with those countries?

Mr. Sale: Yes, Mr. Chairperson, for example, Pauwels transformer plant exports a great deal of its product to India. I believe they have had export markets in Pakistan, Indonesia, Thailand, Singapore. I am not sure about Korea. It is a very good company, very significant investments made to bring the plant up to high standards of productivity and safety.

I am wondering: what is the relative exposure? What has been done by Manitoba Trade to determine that exposure and, what, if any, steps have been taken to try and manage this issue?

Mr. Downey: Mr. Chairman, again, the majority of trade that the province carries out is with the United States. As he knows, that is by far the largest amount of trade. Of course, Japan is a major trade partner as well, next to the United States. So we are talking in quantum terms of about \$4.5 billion in 19—sorry, year to date: the United States would be over \$5 billion, an increase of 19.3 percent; Japan is up as well for the year 1997 to \$410 million as it relates to, for example—China is down considerably. Not really that much change in most of the other areas, for example, Mexico, '97 over '96 is about the same as year over year; Indonesia, 1997 over '96 is up slightly. We would not be able to get a read as it relates to the current numbers out of what I have here. South Korea, '97 over '96 was up marginally; Taiwan was about the same.

* (1010)

Eastern Bloc countries, again, the trade activity into those countries is very, very small at this particular time. It is an area we have been working on. I would say as it relates to the Asian market, again our greatest

amount of trade takes place with Japan, and I do not think they are having, although they are having some difficulties, near the amount of some of the other Asian countries such as Indonesia. The total trade with Indonesia, just to give him an idea, is under \$70 million.

So, anyway, the point I am trying to make is that I think it is a little too early to tell as to what the impact will be with some of the problems that are both in Asia and in the Eastern Bloc, but, again, because the quantity of trade is important to us, it is not as significant as if something had happened with the U.S. market. Probably the longer term would be what impact will the Asian flu have on the U.S., and what does that roll over to their purchasing of products from Canada?

So, again, I cannot give him any more definitive answers. I am sure that when these things are happening there will be impacts which at this point are not measurable. Again, as long as we maintain our major trading partner the United States, it should be minimal.

Mr. Sale: My figures on Japan show a very substantial loss in Canada as a whole as against, again, in Manitoba, which I hope is not just a short-term fluctuation.

The issue I was raising was to see whether any companies—I am not suggesting the minister should name them, but whether any companies have approached government and trade officials expressing concern about the situation, expressing vulnerability, and whether any strategies have been developed to mitigate that problem.

Mr. Downey: Not that I am aware of, although I will tell the member that we still have some companies that are very interested in doing business in those countries. They have not backed off. They are still very aggressive in their marketing program because even though the economies may have softened in those areas, they still have to buy and develop their countries. It is a matter of having to reassess how much it is going to cost them to do some of the project development that they are looking at.

So all I can report at this time is that I have not been informed of any companies that are concerned and/or

in fact are backing off. There is the same interest in the developing of markets internationally as there have been previous to the meltdown of the Asian economy.

Mr. Sale: Mr. Chairperson, a year ago, the minister reported on a trade mission to South America, and one of the issues of controversy was the potential visit of some tourism officials which was talked about. Did that visit take place?

Mr. Downey: Not the numbers of tourism people, but there has been some interest again, and it was followed up in our trip on Team Canada, which I was a part of this year. In fact, I can tell him that I think some of the successes that we were able to accomplish from our original trip to South America were further highlighted as it relates to the Team Canada trip, the fact that we had been there, we had established some direct contacts with both political and tourism and other leaders, particularly as it relates to the Pan American Games that are coming up in 1999. All of that time, effort and money that was invested we believe is going to pay off and will do so in a substantial way.

Mr. Sale: I appreciate the minister's answer, but for the record I think it is important to simply note that the hoped for visit by the Tourist Association that was spoken about in Estimates did not take place. Is that correct?

Mr. Downey: I would have to further check as to what portion of that or what part of that group came, Mr. Chairman.

Mr. Sale: Mr. Chairperson, the association told us that they had an event every year in which they travel to a destination or destinations, that they were considering putting Manitoba on that list but that it was a consideration only. The minister had indicated a somewhat more certain outcome than that. The association told us it was only under consideration. My information is that they did not, in fact, as an association function, come to Manitoba, which is regrettable, but I am simply wanting to ascertain for the record whether my information is correct.

Mr. Downey: Well, one could consider they are still considering it.

Mr. Sale: Mr. Chairperson, the minister loves to play these little games. The information that was put on the record previously was that they would be coming last year. Our conversations with them were that they might come last year. My information is that they did not come last year. That is what I am attempting to ascertain. Did they or did they not come as a travel association to Manitoba last year?

Mr. Downey: Mr. Chairman, I will have to double-check, but I do not believe—I do not think they came. However, it may have been because they read some of the press or some of the comments made by the opposition members and not found that it was that friendly a place with the kind of climate that was here. That may have been one of the reasons that they did not come, but I will not accuse the member opposite directly of that. I will find out a little bit more as to why they did not come.

However, I can tell the member that we did have one individual who was very much responsible for—I am not sure whether he is a member of the association but he is a writer, a communications person that has been working very actively and was here, visited Manitoba—of promoting particularly Churchill and a lot of the activities, because the polar bear tourism product is very popular, particularly in Argentina. This individual has been here, has visited. It was a result of the trip that was made in September, some two years ago, of which myself, my department and my spouse participated in Argentina and South America.

Mr. Sale: I thank the minister for that answer. I believe it confirms what we believe to have been the fact as well, that the association decided not to make Manitoba one of their stops in their trip last year.

Mr. Chairperson, in terms of trade issues, the one concern that Canadian analysts have consistently had over the years is the growing dependence on the American cross-border trade with the United States. Whereas our trade with the United States was always in the range of 60 percent or so, it is now significantly above that and growing each year. I think trade patterns—everyone who looks at the Canadian economy knows we have shifted from an east-west economy to a much more north-south economy, which is one of the things that helps to weaken national ties.

It has benefits and it has costs, but certainly one of the costs is that we become a peripheral part of the American market as opposed to an integral part of a Canadian market, because of the north-south polarization and the fact that we are on the north end of that and not in the middle of it. So we are dependent on specific expertise, specific niches in which we export, and therefore are very vulnerable to American economic developments. I am sure the minister is aware that, for example, if the American currency is strong and appreciating, and that is not what is happening in Canada, then the economic policies required to deal with those two issues would be different in the two countries. It is extremely difficult for two countries to have different economic policies when one is a tenth the size of the other.

There is a pressure that is very significant, so we are under great pressure now or our currency is under great pressure now because our interest rates are anywhere from 50 to 100 basis points below the United States in a number of places in the yield curve, particularly the short end, yet our economy is far from a full employment economy. The American economy is at this point much more robust, although it has real problems. So the bottom line here is that we are more and more dependent on the United States as our major trading partner. We continue to maintain a trade deficit with the United States of over a billion dollars a year at the present time. It narrowed somewhat briefly but it has widened again.

* (1020)

So, really, we have become even more dependent on our ability to sell goods in the world market, to be able to finance a very significant trade deficit with the United States. That, of course, is the opposite in Canada as a whole. We have a modest trade surplus with the United States.

I am wondering whether the department, the government, has any concern about this issue in the first place, and what they are doing to deal with the trade imbalance that we have with the United States.

Mr. Downey: First of all, Mr. Chairman, that is one of the areas that we have been working on as it relates to diversifying some of our trading activity into other

jurisdictions, continuing to support and encourage, particularly, trade with Japan. We are focusing, as well, into the European communities, particularly some Eastern Bloc countries but basically some of the more traditional United Kingdom and some of the more traditional markets which we have enjoyed. Again, South America is, as well, an area that has been targeted. Again, those are some of the strategies that we are developing to further offset our total dependence on the United States.

However, because of our physical location, because of our trading patterns, because of our agreements, whether it is NAFTA or the Free Trade Agreement with the United States, it is just a natural that the United States continues to be the major market for Manitoba products that are produced and manufactured here. That I do not anticipate will change in a major way, although again the point I am making is we are looking for a little bit of diversity in our marketing activities, I want to remind the individual again, as a percentage of our imports versus our exports, as our exports as a percentage of our imports continue to grow. So it means that we are in fact benefiting in the overall export business to the United States. A lot of the equipment—again I will emphasize this. I know it is on the record before. I will put it on the record again. A lot of the equipment, a lot of the purchases that are coming in from the United States are in the area of production equipment, and I will use the agricultural industry for an example.

I do not believe that there is an industry in Canada today that produces combines for the agricultural industry, a huge import of that type of production equipment. Again, the same thing applies to some of the power units, although we are extremely pleased that we have a New Holland plant here in Manitoba, which is one of the larger tractor manufacturing plants. But again, a lot of the production equipment—I will go back to the development of the plant at Carberry where the expansion of the processing plant for french fries took place—and a lot of the equipment that was put in there came from the United States. What are we doing? We are processing the potatoes that are growing here, further refining a raw product, putting them back into the U.S. market which creates jobs and economic wealth for Manitoba, which quite frankly is not bad.

So I guess the bottom line is that we have a highly trained and skilled workforce. We have companies such as New Flyer that continue to grow and expand into the United States market with a product that they are producing. The fact that the U.S. market has been opening up and continues to grow for us, we want to make sure that Manitoba companies are in fact able to do it.

I know that he would love to talk about the call centre business. Again, there is another opportunity that we have been able to—

An Honourable Member: We will get around to that.

Mr. Downey: We will get around to that. I did not want to leave that out as part of the debate here. To encourage American companies to operate out of Manitoba, selling services into the United States, and the service industry continues to grow and expand.

So I do not see it as sitting back or particularly companies sitting back, not doing something about trying to diversify. It is a matter of fully maximizing our opportunities and adding value to the products that are produced here. Yes, we will have to continue to buy some production equipment from the U.S. However, as we do that, we think that production equipment that is bought will further add value to some of the product that is produced here, generated here, and we sell more value-added product into that U.S. market.

So, we can go on for days on this subject, but I do not have a lot more to add at this particular time.

Mr. Sale: I just have one last question in this area. Could the minister put on the record his understanding of how—[interjection] I thought you were Protestant. Mr. Chairperson.

An Honourable Member: Sign language.

Mr. Sale: Sign language, right. We can exchange a story about the meaning of that at some point.

Would the minister put on the record his understanding of how, in economic terms, we finance a trade deficit? Our trade deficit last year was \$600 million in

total, in aggregate. Our trade deficit with the U.S. was over a billion. How does that get financed in economic terms?

Mr. Downey: I will take, in part, the question as notice to try and see if we can get a professional answer—how should I put it that way—from the financial gurus that are available to us. I would put it in this context, in my understanding of it, that it is probably taken into account as part of the overall Canadian picture as it relates to Canada's surplus with the United States. I think that is probably, without pretending that I know exactly how it is covered, would be generally how it would be accounted for as part of that overall Canadian picture.

He may have some additional information that he could put on the table that would help get the answer. If he does not already know, he could probably be a little more specific in trying to flush out what might be more of his intent in the question.

Mr. Sale: I just think it is striking that the Minister of Trade does not have an answer as to how trade deficits are financed by a provincial economy within a larger national context. I do not see how you can have a strategy or an understanding of the macro issues if the minister and his officials at the table are not able to provide an answer as to how a nation or a province finances a trade deficit. So I will appreciate hearing an answer, I hope reasonably soon, as to how this takes place because it seems to me that it would be pretty important that the minister responsible for it have a conceptual understanding of what it is that is going on here. I will look forward to that, and we could pass this item.

* (1030)

Mr. Downey: Mr. Chairman, if he is intending to try and embarrass me, he is not, because I think it is a complex subject of which a lot of people who are in the financial community would probably have to take some time to get all the specific details. Again, what I can tell him is that it is a matter of, as far as I am concerned, being dealt with through the overall process of when payments are made for products that are brought in as it relates to that against the sales that are made as to a timing factor. It is not quite as clear cut as

you would put it on a balance sheet. If it is, I have told the member I would be more than pleased to get the information in a more professional way, but I have a general understanding that that is how it would be handled. But it is in fact a part of the overall Canadian picture of which we are in a trade surplus with the United States.

Mr. Chairperson: 10.2. Business Services (c) Manitoba Trade (1) Salaries and Employee Benefits \$1,128,400—pass; (2) Other Expenditures \$2,096,700—pass; (3) Grants \$250,000.

Mr. Sale: Could the minister tell us what this grant list is?

Mr. Downey: Basically, Mr. Chairman, this is the support that is given to companies that want to participate in international trade shows for the promotion of product that is produced here in the province of Manitoba. That is basically what that covers.

Mr. Chairperson: 10.2.(c)(3) Grants \$250,000—pass; (4) Less: Recoverable from Rural and Urban Economic Development Initiatives (\$1,000,000)—pass.

10.2.(d) Telecommunications Marketing (1) Salaries and Employee Benefits \$308,600.

Mr. Sale: Mr. Chairperson, this is an important area of the government's initiative to develop employment. I believe, just so we do not have to have a long discussion about it, that we are looking at something like 7,000 jobs roughly in the industry at this time. That has been an area of very rapid growth. Some of the jobs are good, well-paying jobs. Some of the jobs are terrible, high-turnover, lousy paying jobs. Some of the centres are extremely central to the operation of companies like CN, which has an amazing call centre that we had the opportunity to tour this year. It is a stable and well-paying operation that controls all of CN's traffic in North America. It was fascinating visiting just at the very end of the Quebec ice storm to see how they had set up an emergency operations department within the call centre and were busily rerouting traffic to allow for emergency equipment to get through and were handling that ice storm essentially out of Manitoba, which probably very few Manitobans

realized. So we were privileged to tour that centre at that particular time.

I am also aware of the opening of the new Royal Bank Direct Call Centre on Taylor in my constituency. I spoke just last night with their new manager, Lucille Cozier, who was telling me that they are already in operation to at least a limited extent and that they had some 2,400 applications for the 700 positions which they hope to hire in the next period of time.

So I am aware that there are some very good jobs, particularly where the telemarketing services are in support of a specific company's operation. I think it would be probably widely agreed that the best jobs and the jobs with the best career paths attached to them are ones where the companies themselves are operating their own call centre to support their own operations, either from a direct service to their customers perspective or from a marketing perspective. CN does both, as I am sure the minister is aware, and so will Royal Bank.

The other side of the industry, though, is considerably less impressive. It is characterized by extremely high rates of turnover, low wages, no security, no guaranteed hours and in some cases, and I think these are probably the extreme cases, but in some cases, unsanitary conditions, equipment, for example in one very major call centre, a complete absence or an almost complete absence of head sets, so that employees on an eight-hour shift are holding a phone in their ear which I think is a fairly good guarantee that they either they will not stay there long or the government will be faced with some Workers Compensation claims.

It is an industry that is characterized by rapid growth, very uneven standards and no regulation to speak of. Mr. Chairperson, last summer we held a press conference on a company well known to the government, called TeleSpectrum. I have continued to receive very large volumes of complaints from that company and I am led to believe that the Labour Board has a long list of complaints for unfair practices in regard to wage payments. I want to explore what the government does, in broad terms, to monitor its investment and the performance of those companies in which it has invested, and I want to focus on TeleSpectrum because I raised this last year. I have no sense that the

government did anything at all in response to the public concerns that were raised or to the concerns that I raised in Estimates.

I want to begin these questions, first of all, by having a very clear explanation as to how the government monitors the performance. What office of government and what steps are taken to actually audit or monitor whether or not companies are meeting targets for which they received grants, incentives, loans or whatever?

Mr. Downey: Mr. Chairman, I want to just make a general quick comment. I do not want to take all the member's time, but I want to make a general comment that we, I would say in general terms, are quite pleased with the overall development of the call centre initiative in the province of Manitoba, creating some, as the member has indicated, probably in excess of 7,000 jobs of which the majority, I think, are extremely good jobs. He is less than critical because of the fact that there is one being established in his constituency. He seems to be supportive of that, at least I did not get it totally clear on the record but he is kind of hedging a little bit, I think, as to whether or not it is good or bad. I think he has left me with the impression that he kind of likes it. Now I am not exactly sure on that, which I think would be a credit to him if he is prepared to stand up and say that he is pleased to have this call centre in his community and he is pleased with that.

I am not critical of him pointing out other areas there may have to be some improvements. He asks specifically what is the involvement of the department in their difficult situations. There is a call centre association which is basically working to make sure that there are not the difficulties and there is not the impression left that there are a lot of improper activities being carried out. He is also aware of the fact that we have a Department of Labour, as it relates to those kinds of things that fall within the laws of the Province of Manitoba, of not paying peoples' salaries or abuse in the workplace or that kind of improper activity, which is fully available to any individual or any company that finds itself in this position.

To further express what the province does as it relates to the association, which is trying to make sure that any problems are dealt with, the head of the Call Centre Team, Mr. Steve Demmings, who is at the table with

us, also sits on the association as an ex-officio individual so that we have in fact an ongoing knowledge of what work that association is doing and if there is, again, some improprieties or areas which should be carried out by the law which the Labour department has in place to protect individuals, then in fact that is available to them.

* (1040)

So that basically is it, and there is no one in this government wants to see anybody work in conditions that are not acceptable and be dealt with in conditions or ways which are not appropriate. So I can assure the member that, through the laws that are available to us and if there are improprieties of which on checking on some of the accusations that have been brought to the table, have not in fact been quite the way in which they have been portrayed at other times by the member. But I will say this very seriously. It is not our intention to have improprieties or improperly dealt-with people. Again, I want to emphasize that there is the Department of Labour which is there with the laws to fully be carried out to protect individuals who are in the workplace.

Mr. Sale: Mr. Chairperson, for the record, the Royal Bank Call Centre—I was present at their groundbreaking ceremony along with other government officials, elected and bureaucratic, as well as members of the Manitoba Telecom Services. I have said for three years now that in general in the industry it seems that the sound operations are the operations where the sponsor of the centre is providing inbound service, Purolator or Canada Post or whatever it is, as well as doing marketing of their own services, because they have a long-term interest in developing their business and in maintaining quality employment, because obviously they have a direct stake in the centre. I have always made that distinction.

The problems in the industry tend to centre around those companies that do mostly outbound calling, campaign calling. There is GWE in Brandon, for example, where there have been major concerns raised, Marusa, similar kinds of concerns though not nearly as many as there have been about TeleSpectrum.

So I am pleased to have, as the minister is pleased to have, jobs in the information industry, which is really

what we are talking about with CN and Royal Bank, for example, where they are providing very technical, complex services to a wide range of clientele. They are being paid well, they are being trained well and they bring credit to our province in and for the work they do. I have always made that distinction.

The concerns that I have raised about the industry have always made the distinction between outbound and inbound. I think the minister probably knows that, but there is some level of politics being included in this discussion, and he has to make his points and I presume I make mine, as well.

I want to go back to the question that I asked, which was: could the minister tell us in some specific detail how Manitoba monitors performance of companies for which grants have been made? I think in the terms of Faneuil, for example, AT&T Transtech, TeleSpectrum. What are the specific steps that are done to audit compliance?

Mr. Downey: There is an annual audit made of the company of which there has been support given to make sure that they are in fact living up to the terms and conditions of the agreement which has been entered into. That is basically the way in which we deal with the ongoing activity. I will further check if there is another step.

Basically, as far as it relates to the participation of the province and the monies that have been loaned to these companies, there is an annual audit which is carried out by the department with which we have to be satisfied that they have in fact lived up to the terms and conditions of the agreement.

Mr. Sale: Mr. Chairperson, could the minister describe the audit process in terms of whether it is onsite, open records, whether it involves payroll reviews? What is the level of the audit that takes place?

Mr. Downey: Mr. Chairman, because the work is carried out by the Manitoba Development Corporation, that is who the funding flows through. I am told by the department that there is an onsite visitation that takes place. The onsite visitation and the audit is made up of the T4s which they have to provide as it relates to the number of employees that are employed in that facility

to earn the benefits which they have entered into as it relates to the provincial support.

Mr. Sale: Mr. Chairperson, are grant monies advanced during the year against the audit, and recovery is then undertaken, if necessary, after that period of time?

Mr. Downey: I am informed by the department, Mr. Chairman, the program that he is talking about is that they are a conditional loan. If they do not meet the conditions of the loan, then they have to be repaid under the conditions. It is my understanding, as well, from information provided that we do not have anyone that I am aware of that is in default.

Mr. Sale: Mr. Chairperson, some funds were advanced to TeleSpectrum. For example, a cheque in the form of \$18,000 and some dollars and cents was paid. During this last period of time, there have been other cheques for similar smaller amounts. What are these cheques for?

Mr. Downey: Mr. Chairman, I will have to check on it. The member made reference to \$18,000 being advanced to TeleSpectrum, which is a small portion. If any has been advanced of the initial 60-month \$1,375,000 that was initially approved, it is my understanding and I have been told, and if \$18,000 has been advanced, I will have to check it. It is my information that I have, and this is subject to checking with the department, I am not aware of any money being advanced.

Mr. Chairman, I will check as to whether or not there has been any money, but the information I have, this was a conditional forgivable loan of \$1,375,000 that has not been advanced to TeleSpectrum.

Mr. Sale: Mr. Chairperson, so the minister can ascertain, I have been told that there have been at least three cheques that were for relatively small amounts that did not make sense to me as part of the \$1,735,000, because I was aware of the total loan, that they were in the \$18,000 and some hundreds of dollars and some cents, which seemed also somewhat strange to me. It would be strange. That kind of a number, I would have thought that the minister may discover that there is another department involved, possible, I do not know whether that would be Industry or that would be

Education and Training in regard to wage subsidies for welfare recipients or whether it is Workforce 2000. I would appreciate it if the minister could find out whether monies have been advanced to TeleSpectrum and in what amounts.

Mr. Downey: Mr. Chairman, again, I want to emphasize to the member that as far as I know from our department, and I am informed that we are not aware of any money that has flown under this particular program, although I will check the specifics of which he has put on the table as it relates to any monies that have flowed to them, and I will find out specifically where that has come from.

I think the other point that the other member wants to be aware of, and he is probably critical of the jobs or he is indicating that he is critical of the jobs and the conditions of which I again want to emphasize that there is a system in place, there are laws in place which are available to employees if they are not happy with the situation that they can in fact go to. If he wants to remember, as well, there have been several hundreds of jobs that have been in the province under TeleSpectrum for some time now that have been contributing to the provincial economy and the employment base.

* (1050)

He is very tough on TeleSpectrum. I am certainly of the mind that we have done what we should do in a responsible way, again, not in any way supporting any misappropriate dealing with the employees, but again, there have been considerable jobs here which people are free to take or not take if it is their desire.

Mr. Sale: People, Mr. Chairperson, who are desperate for work are rarely free to take or not take a job, no matter how demeaning that job is. If they are looking at the choice between no food on the table and some food on the table, they take the food on the table, and the demeaning work is accepted until something else comes along or until they cannot stand it any longer. In the case of TeleSpectrum it has been both, and for some months, the new hires have barely replaced the people leaving. There are lots of new hires at TeleSpectrum all right, but also a tremendous turnover, very typical of the American rates which were one of the reasons why

people cited companies coming here was to enjoy the lower turnover rates.

I want to ask the minister why no money has been advanced to this company, when it was trumpeted as a major government achievement to attract the company, and a great deal was made of the announcement in the press and in the government's own press, the grant loan, forgivable loan. It was announced more than a year ago. The company changed from PR Response more than a year ago. Why has no money been advanced?

Mr. Downey: Mr. Chairman, basically there has been some restructuring, and the member has raised some of the name changes that have taken place. They have, in fact, made some changes in the United States. In fact, they have closed some of their centres. I guess it is a matter of making sure that they carry out and are going to be here as a permanent corporate citizen, and we want to make sure that all conditions are in fact going to be met.

There is no point of entering into an agreement and flowing money if in fact it is not going to be lived up to, or the intent of the use of that money is not going to be lived up to in the interests of the people of Manitoba. I am not critical of TeleSpectrum in any way. It is just the manner in which we in the department have dealt with this particular file. I suppose the member is upset that we have not flowed the money to them, and that we are not dealing with a difficult loan collection of some kind here. I do not know where he is coming at. I thought what we have done, and the department have done dealing with this is a responsible way to go, and we will see how the development take place in the next few weeks and months.

Mr. Sale: Mr. Chairperson, I am very puzzled by a government that announces a forgivable loan and makes a great deal of press about it, and does not give the loan. My understanding of the announcement of a forgivable loan, of whatever amount, is that the loan is given, the performance is audited. If the criteria are met, the conditions of the loan then are met in terms of the level of forgiveness, but I do not know what a forgivable loan means if it has not been loaned. What it means to me is that the government wanted a really great announcement, got it, and has not ever provided the company with the support that it promised the

company for whatever reasons. So it seems to me that we have another case of a government announcement gone awry.

Mr. Downey: Mr. Chairman, I am quite amused to put it in the context. Probably that is inappropriate, but I am amused at the member and how he is approaching this particular subject. First of all, he is not happy with TeleSpectrum.

Mr. Peter Dyck, Acting Chairperson, in the Chair

He is unhappy with the way in which they have performed, and he raises all kinds of concerns and issues. His biggest criticism that he has right now is that the government has announced that there are some several hundreds of jobs coming to the Call Centre Team in which there was an availability of a loan to this company if certain conditions were met. What I have told him is that there are certain concerns that have been raised within the department, that the money has not flowed.

Now I say that what we have done is a very responsible way in which the province's money is being handled. I will further get some more details for the member, but I think he has got a philosophical problem here. On the one hand, he is for it; on the other hand, he is against it. Then we have not flowed any money. If we had flowed the money, we should not have flowed it. I mean, he is really trying to maximize some political mileage out of this particular issue that, quite frankly, is not there.

Mr. Sale: Mr. Chairperson, what is there is a large number of employees who have been very badly treated, and obviously the government knows this because they would hardly have made an announcement in which they garnered all sort of press for: call centre to create 700 new jobs in the city. First round of some 2,000 new job announcements, blah, blah, blah.

The whole business of the \$1.375 million conditional loan is featured as a major issue in bringing this new call centre to Winnipeg. I do not remember seeing any announcement that no money had been flowed under this because the government was concerned about the operation of the call centre. The call centre was the centrepiece of the government's reports last year of its

success in attracting work here. Clearly, from the very outset, the government is now admitting that it had deep concerns about this company, that in fact this \$1.375-million forgivable loan was not in place when the company opened, was not agreed to, that in the year—I suppose a year and—I am not sure how long since it became TeleSpectrum—conditions have still not been met. So the money still has not flowed.

Eleven call centres owned by this operation have closed in the United States and Canada. This is the last one available and open in Canada. The Toronto centre is closed. The manager has been fired; allegations of fraud; equipment has walked out the doors; people do not have headsets. The minister seems to not be willing to be forthright with the people of Manitoba and say: we have not flowed any money to this company because it is not performing properly. He is continuing to say: well, maybe it will, maybe it will be okay. Maybe these lousy working conditions will just go away somehow.

We have allegations of fraudulent numbers. You have an accountant in your department, Diane Bampton, who apparently calls in regard to numbers. She is given numbers over the telephone. Those numbers may or may not bear any resemblance to reality, but you apparently use them for your reports. That is her job. She phones; she gets answers; she writes them down. There might be 10 people in the centre that day; it might be shut down; there might be a thousand; but she takes whatever she is told over the phone.

Now maybe there is an audit at the end of the year; maybe there has been an audit. But, clearly, this call centre is a source of real concern for the government because it has not flowed its loan. It is not meeting the conditions that it appeared to say it would meet when it opened up.

So let us go back to the audit. Has there been an actual audit of TeleSpectrum's job creation?

Mr. Downey: Again, I will have to go over this process with the MLA for Crescentwood who does not seem to, in my mind, quite understand the way in which this has been dealt with. A company came to town based on some discussions and, first of all, the

opportunities that they saw to place a call centre in the province of Manitoba. With the department, through the Call Centre Team, there was a forgivable loan that was negotiated and approved. The company came, established. It was at last year's Estimates a member of the Legislature raised considerable concerns about the work conditions and activities that were carried out by TeleSpectrum that would give anyone who works for the Department of Industry, Trade and Tourism concern as to say: what are the conditions? Some work was done.

We now proceed another year, and the company is still in operation. I understand they probably have something like 600 employees. It must be performing for the company. They have closed other places. Conditions which have not been satisfied by the department—that there is, in fact, the kind of situation which the department could agree with—have not come to fruition that would cause for the flowing of \$1.375 million.

The member is saying, now, is there an audit? There has not been the money flowed, Mr. Chairman. There is no audit; no money has flowed. He still raises more concerns today, but his concern now is that we have not flowed the money, that we should flow the money for some particular reason because he thinks we should flow it.

* (1100)

I cannot quite understand where he is coming from, Mr. Chairman. As this debate goes on, maybe he will clarify his position more, but we have had 600 or that neighbourhood of people working in the call-centre business. The company is apparently satisfied with what is going on here. The employees, granted, if they are not happy, have the Labour Board to go to. They also have other call-centre jobs which are developing in the province of Manitoba, which he has referred to himself, in his own backyard, in his own constituency. There is also a major call centre being established by Air Canada, which is taking over the old Free Press building, as he knows, downtown in Winnipeg. So it is not a matter of other job opportunities not coming on stream.

Again, I cannot understand him, other than the fact that he is probably upset that the money has not been

flowed to a company that he questions the way in which they treat their employees, so that we can, in fact, be criticized for flowing money to a company that he is not happy with the way in which it operates. If we had flowed the money, then he would be giving us a hard time because we would have flowed it.

I, again, Mr. Chairman, think he has a political problem. He is not able to extract the political mileage out of this particular case that he would like to. He is upset that there was a headline that said we got a new call centre. Well, we, in fact, have got a call centre of that magnitude of jobs. Again, that is a problem that he has. He should write a letter to the Free Press that there was a call centre at—it is not that there was inaccurate information because, in fact, the capability for a loan was established by the Department of Industry through the call-centre team. All the ducks are in a row, except the member for Crescentwood (Mr. Sale) just cannot seem to get them lined up in his mind.

He still has a political problem which he is trying to extract or bring to the surface so that he can criticize me. That is his job. We understand that, but, again, there has to be merit to what he, in fact, is putting on the table. To this particular point, during this debate, I would have to say I have not been able to, quite frankly, extract the merit of his debate, and he has not convinced me that we should flow the money at this particular time.

If he wants me to flow the cheque, if that is what his position is, Mr. Chairman, then I would suggest that he, in fact, say so. Put on the record that he wants us to flow the money to the call-centre team which he is talking about. If not, I would suggest he should give a vote of confidence to our call-centre team and say we think you are handling this affair properly and get on with the next item in the Estimates.

So, Mr. Chairman, I would ask the member to say, yes, flow the \$1.3 million or do not flow it and carry on and make sure that there is a responsible way in which this money is handled. I ask him to come forward with his position.

Mr. Sale: I suppose the best defence is sometimes a voluble offence, but it does not usually serve.

The issue, first of all, around the grant loan, forgivable loan, is that the government announced this as a done deal and a reward, in effect, for the company coming. In other words, they deliberately gave the impression that this grant loan had been approved in all of their releases. It now turns out that it may have been approved to be flowed, but it was conditional on certain things that the company had to meet. So, in fact, there was no flowing of the loan.

I want the minister to tell us what the conditions were of the loan that obviously have not been met.

Mr. Downey: Mr. Chairman, I will put it in this context. Again, does he want me to flow the money or does he not? I mean, that is the question that he has to answer. I, through the advice of the department and through the administration of government funds, have decided not to flow the funds because of certain concerns that the department has. We have that capability. I would ask him does he want me to flow the money? Is that what he is advocating at this particular time, yes or no?

Mr. Sale: Mr. Chairperson, the minister is obviously confused. He thinks he is in opposition, and he wants to ask questions. That is not what goes on in Estimates. Perhaps he is wanting to be in opposition, and we could help arrange that and certainly will do our best to do so. He would be fun to have as an opposition critic. I think that would be a very enjoyable process for all of us. It is not his role to ask me questions, but what I am interested in is accountability, and that is what Estimates is all about.

Obviously, the government led people to believe they had flowed money under a set of conditions. Obviously, the conditions have not been fulfilled in terms of our knowledge of the company, but until today we were not aware and I do not believe the public of Manitoba was aware that this loan was a mirage, that it had never, in fact, been flowed to this company. I can well imagine there might be reasons. In fact, I am encouraged to know that the government has some reasons for not flowing it because it means that the questions we have been raising for the last year on behalf of many, many employees of this company were not groundless. In fact, the minister is telling me that many of the things we raised were, in fact, perhaps

parts of the reason why he has decided not to flow the loan, and that is probably a very good thing.

I return to the question that I asked which was what were the conditions of the \$1.375-million forgivable loan?

Mr. Downey: Mr. Chairman, I can give him the general conditions. One was that they had to meet certain employment targets and maintain them. The reason, I understand, that the department has continued to maintain not flowing the loan at this particular time is that there has been some information requested as it relates to the restructuring of their company, information which is pertinent to overall long-term decisions of the department, and we have not had that information provided, so the department has not, in fact, recommended flowing the funds.

Mr. Sale: Mr. Chairperson, did the conditions include the hiring of certain numbers of people off public assistance through training arrangements with Red River or other programs?

Mr. Downey: Mr. Chairman, I will have to double-check. I do not believe it was a condition that they would have to hire people off of social service support programs, although I am aware of the fact that there have been something like 200 people who are recipients of social support who have, in fact, found employment with this company.

So I do not believe it was a condition. I believe it was overall employment numbers that had to be targeted and met, but because we have not flowed any money, there has not been an audit which would tell him, but I do think the company has been open enough to tell the staff—I think there are something like 600 jobs at this particular location at this particular time. So, again, he does not need to give me, but if he wants to I am quite prepared to sit and listen to it, a lesson about what opposition's and what government's role is.

I have seen his type in government for far too long, Mr. Chairman, and I do not think he clearly understands when in government what the NDP party responsibility is. It sure came a long ways in a lot of cases from acting responsibly as it relates to the

spending of taxpayers' money, after \$27 million was spent in Saudi Arabia telephone systems which we will never see again.

This that we are talking about is money that has not been forwarded, advanced to a company who is setting up a call centre in Manitoba. It has quite a bit to do with the telephone system by the way, too, as well.

So I want to remind the member of that, and I think it is fair in any political debate, the public would want to ask what the New Democratic Party would do in this case. I am just asking on behalf of the people of Manitoba, would he have flowed the money or would he not flow the money? Now, if that is bothering him, I will withdraw the question, Mr. Chairman, and go to the people and say the member of the New Democratic Party is not prepared to answer any questions as to how they in fact would carry out governing of the province of Manitoba. Is that what he would sooner that I go forward and say on his behalf when I am out campaigning for the next provincial election whenever it may be called?

Mr. Sale: If indeed the member still has a seat to campaign in and is not facing some competition from some others for a reduced number of seats in western Manitoba, it will be interesting to see who runs for what.

* (1110)

I think to give him a slight insight into what I might have done in his situation, though of course I can only speak personally, I would not have announced a loan that I had not made. I would not have brought people to believe that I was doing something that I was not doing in regard to this operation. I think that it is very important that there be the kind of accountability that he is saying now there is. After having defended the company and having told us we had no concerns that were valid and everything was well, he is now obviously admitting that everything is not well, that the company had in fact threatened to close earlier this spring, and indicated a final date of July as a closure date at one point. Whether that ever became public or not, I do not know, but it was certainly well known inside the company.

I want to know if the minister is aware of how many claims for how many people are currently before the Labour Board for this company.

Mr. Downey: I will take that question as notice, Mr. Chairman.

Mr. Sale: Mr. Chairperson, is an audit of employment going to be performed by the branch, regardless of whether the other questions asked in regard to the corporate structure and stability of the Canadian side of the operation meet the requirements or not?

Mr. Downey: Mr. Chairman, as it relates to the audit of the company, if there is not any provincial money in their company as it relates to the MIRI program that he is referring to, I would see no reason to do so. However, I do not believe that the company has in any way withheld information, that, if the Call Centre people were to ask them how many employees they have, there is any reason for them not to say. But, as far as an audit is concerned, until monies that would be owed to the province were involved, what would be our right to go in and do an audit? I do not believe we would have one.

Mr. Sale: Mr. Chairperson, the reason I ask the question is that it has, again, been alleged, and I have no way of ascertaining it, that the company has different numbers for different folks in regard to employment numbers. So I would think that the government might be well advised to ascertain how their records are kept before money is flowed, to find out whether their record-keeping process is one that would stand the test of an audit down the road.

I also think the minister might want to be informed about turnover rates in this company, because the company has gone from well under 200 people working at any one time this year to over 900 people at some points. Obviously, the larger number is impressive, but the rapid layoffs and the rapid shifts of workforce do not constitute much in the way of real work for people when you have work today and no work tomorrow because the workforce is fluctuating from that level within a few months, from 900 down to 200 and back up to 600 and down to 400. It is all over the place. People do not have any security whatsoever, and it is unclear to me why we would want to support a

company that has as uncertain working conditions as this company appears to have.

I wonder whether the minister is aware of any sexual harassment claims or human rights violation claims that have been made by employees.

Mr. Downey: Mr. Chairman, I will try to keep this brief. I would be very concerned if that in fact were the case, and there would be every effort that I would have to be able to put forward to make sure that they are dealt with, that the most appropriate way possible would, in fact, be carried out. However, there is something that has been very obvious in this debate by the member for Crescentwood (Mr. Sale) which does not need a lot more explanation, particularly to the business community in Manitoba, that an NDP philosophy—if a business has nothing to do with government, they would have to be out there with an inspector doing all those kinds of things almost to the point of harassment. That is what I am hearing from the member for Crescentwood, that you could not carry out your business.

As long as you are living up to the labour standards and the codes and the system is available for those people, then we have to make sure that that is available to them, but all the questions that he is asking clearly takes them into the category of snooping.

As a New Democratic Party, they want to have a snooper in everything that is going on out there just for the sake of being there. I think businesses, quite frankly, that is one of the reasons that they cannot see their way to support a New Democratic Party in a lot of cases. They just cannot keep from harassing what is going on in business.

Again I will emphasize that the people who are in any way harassed or have got working conditions that are not acceptable have to have the ability to be dealt with. I will say that over and over again. I will make sure those laws are fully enforced, because I do not want anybody in a workplace that is not being dealt with fairly and honestly in the manner in which they should be, and I will not stand for it. This government will not stand for it, but if we have no money invested in it, and they are carrying out the work which they intended to carry out, I cannot see why he would want me to have

somebody visiting them every day just for the sake of visiting them.

Mr. Sale: Mr. Chairperson, this is the minister of a government that has so cut back Workplace Safety and Health inspections that inspectors can at best visit a tiny fraction of the companies in this province. This is a minister of a department that knows full well there have been allegations of unsanitary conditions, lack of headsets, basically working conditions which are not acceptable to any modern employer, especially a modern employer in the telemarketing industry who knows that they cannot in the long run survive with these kind of conditions, who knows there have been allegations of unfair labour practices, who knows the people making them are vulnerable people who do not have the power always to advance their own interests. He knows these have been public concerns. He knows that quite apart from any activity of the NDP, quite apart from that, these concerns have been registered, but the conditions are continuing. The washrooms are filthy, lack of equipment and headsets. There are allegations of harassment. These are serious allegations.

They are not asking the minister to go and snoop at random around Manitoba. That would be stupid. It would be stupid of anybody to ask that. It is not something that the NDP or any reasonable government, including his own, would advocate. These people are not covered by Workers Compensation. Nobody in the call centre industry is; yet they work in conditions that produce a lot of repetitive strain, whether it is keyboards, whether it is holding a telephone at your ear all day, or whether it is other forms of workplace hazards that are common in office environments. They are not covered.

So let the minister not suggest that he has the deep interests of these workers at heart when as far as I am aware there have been no Workplace Safety and Health inspections. If there have been, it is not clear what they achieved. We know there are Labour Board concerns. We have Employment Insurance people saying they have a special file for this operation, because as soon as people are eligible for a raise they somehow mysteriously are not required anymore. They have their own special file over at Employment Insurance.

So let us not suggest that we are somehow asking the minister to go wander around the province and stick his nose in everywhere. We are suggesting that this company has serious problems. It has fired its manager, it has fired its bookkeeper, it has fired a number of its senior people. It has episodic people in from the United States. It has changed its name. It has closed 11 centres. We are pleased to learn that we are not at risk for a \$1.375-million loan. We are pleased to learn that that has not been flowed, but we just learned it today. The government led Manitobans to believe that that loan was in place with their press announcements and their glad-handing at the opening of this operation, which certainly led everyone present to believe that Manitoba taxpayers had money invested in this operation. I am pleased to learn they do not.

I will continue to hope that the government will work with the industry, so that weak operators will not be supported, and that strong operators will be supported where there are good jobs and good potential. I also accept the reality that in any industry there are entry level jobs. There are going to be jobs that pay \$8 or \$9 an hour, maybe even less initially for a short period of time, but in this industry there are potentials in some areas to do very good long-term work that is enough to feed a family and be a contributing member of the community.

I hope the minister accepts that we are not raising the concerns of dozens of former and current employees of this company because we somehow want companies to fail in Manitoba. In fact, the 50-odd people that are attending my business dinner shortly in my constituency do not seem to have any confusion about our concern for business. The minister may have, but major companies attending this function in future do not apparently share that kind of concern. So I am sorry for the minister having that. I do not accept that we have anything but the long-term interests of Manitobans in quality employment and stable employment at heart and the safe employment of Manitobans.

So I am concerned that the government use all of the capability that it has to ascertain what the situation in this company is, not simply at an ownership level, but on behalf of workers who have not enjoyed a good working relationship in many cases and who have come

to us with their concerns, have gone public with their concerns.

I am also concerned about whether the government is considering advising the Workers Compensation Board that employees in this type of operation should be eligible for workers compensation and should be covered, because of, particularly, the repetitive-strain injury potential—a very serious issue, as the minister knows. We used to pooh-pooh that kind of injury till we realized that many of the new jobs are very subject to that because essentially they are no different than old assembly-line jobs where people have to repeat the same motion hour after hour, minute after minute, day after day, and the human body is not built to sustain that kind of operation without some very careful ergonomic design.

* (1120)

I think it is critical that we move to covering these people with Workplace Safety and Health more aggressively and Workers Compensation as matter of right and a matter of a duty of that industry to cover its employees.

Mr. Downey: A brief response, Mr. Chairman. I would ask the member if he knows of any individuals who are being either harassed or unfairly treated to be identified so that in fact somebody can follow it up with Workplace Safety and Health. I also take under advisement, and I have no difficulty in looking at it, as to whether or not it would be appropriate and proper, consider to have Workers Compensation review as to whether or not it could, in fact, be an area which they should cover. That, I am sure, will take some debate, some consideration, but again it has been raised, and I am open enough to discuss it further with my colleague who is responsible for Workers Compensation.

Mr. Sale: Mr. Chairperson, the minister has much more access than I to the workings of government. He is certainly at liberty to contact the Manitoba Labour Board, find out who all has been to the Labour Board, and he will find that there are people there. He will also find that there are people gone to Human Rights Commission in regard to harassment. As I told him last year, I am not going to put any names on any records, and I am not going to expose them to the kind of job

risk and security that they already are plenty exposed to in this particular company. I think the minister can do the same thing I can do, which is to talk to the people who are responsible for handling these complaints, and he will find that there are a fair number of them there. He will also find very easily, if he wishes to, individual people who will be very glad to talk to him about the issues at stake, both former and current employees.

One of the issues raised by a number of different call centres with me in discussion had to do with the disaster recovery provisions for major call centres. Is the government discussing anything in regard to this with any of the major call centres?

Mr. Downey: Mr. Chairman, if I understand it, it is basically a power backup that he is referring to to make sure the plant has power in case—[interjection] I am not clear of the question then.

Mr. Sale: I will give him an example, Mr. Chairperson. In the case of the ice storm in Montreal, large parts of the downtown were knocked out for a period of days. Companies like CN cannot afford to be down even for hours, let alone days. CN currently rents disaster recovery facilities in the United States.

Have there been any discussions about the need for these kinds of facilities in Canada?

Mr. Downey: Mr. Chairman, I understand there have not been any discussions. I am informed by the department there have not been any discussions on that particular matter.

Mr. Sale: Mr. Chairperson, one of the issues that arises with not just TeleSpectrum but I think actually all telemarketing companies comes out of the question of who is the regulatory authority, who is the competent authority. Last year, we were told that it was unclear whether Manitoba or Canada was the competent authority for, for example, Labour Board issues.

It was unclear to employees, and, in fact, the Labour Board was unclear because they did not know whether these complaints should be taken to the Canada Labour Board or the Manitoba Labour Board because it was not clear whether these organizations were federally or provincially regulated. In some ways they are hybrid

creatures, and I am wondering whether that issue has been sorted out.

Mr. Downey: Mr. Chairman, he referred to issues that have gone to the Manitoba Labour Board. It is my understanding that the labour issues would be dealt with by the Manitoba Department of Labour. That falls within our jurisdiction. Other areas, I am not so sure what he is referring to as it relates to other regulatory—the telephone rate system, of course, he knows is handled by the CRTC. I am not clear as to what other areas of regulatory control he is referring to.

Mr. Sale: Mr. Chairperson, in regard to a group of employees who wish to complain in regard to unfair labour practices, specifically nonpayment of overtime and bonus money, they were told that it was not clear to Manitoba whether they ought to apply to the Canada Labour Board or the Manitoba Labour Board, and this was some months ago now. I am wondering whether that question is really clear yet.

The reason, of course, is that telecommunications companies are traditionally federal in terms of their regulation, because they are operating transborder, outside the country, across the country, and they are operating essentially under CRTC approved rates. They are operating under a federal act in terms of whether they are operating within the law. For example, sales practices and the request of a consumer, for example, to be taken off a list is an issue that is federally regulated. It is not provincially regulated.

If I say to the supervisor or someone who calls me at suppertime for the 11th time, I do not want my name on your list, please take it off, and I get another call from them, they are technically breaking the Telecommunications Act or whatever the federal statute is. So the issue of regulation, I think is a very important one, given that we now have 7,000 employees; we may have more. The government is aiming for 10. I hope they are all jobs of the quality of the Royal Bank Direct Call Centre, and I will not argue the question of location. I am happy to have them downtown, in fact, because I think we need to keep our downtown vibrant, so that I do not think is an issue one way or the other.

But the issue of jurisdiction is, and I am wondering whether the government even sees this as a concern. I

was reading body language which said, well, it does not really matter. Perhaps that is the case, and if so, maybe we just need to tell people exactly who does regulate them, so that they know when they have a concern whether they are going to a federal authority or a provincial authority.

Mr. Downey: Mr. Chairman, I do not know how he read the body language which he read. I have read his body language too, and I would not be able to put on the record what I am getting from the reading.

I would make sure that people coming forward get directed to the proper regulatory authority if that is a question that is raised with the department. To my knowledge, it has not been. I would think the labour issues fall within provincial jurisdiction, the rates that we deal with fall within federal jurisdictions. If there are some gray areas, we will attempt to try and make sure there is clarification in that area.

Mr. Sale: Mr. Chairperson, I just trust that he was spelling “body” in the same way that I was. [interjection] Yes, there are two ways to spell it.

The specific question was: would the minister give us, and we can give to others, and they can give to others, specific direction about the coverage for employees, under labour issues, under human rights issues, as to whether the competent authority is Manitoba or Canada, so that we can be clear on that?

* (1130)

Mr. Downey: The answer would be positive.

Mr. Sale: Will the answer be quick? Mr. Chairperson, will that answer be reasonably speedy? Because we have people who are concerned about whether they ought to go to federal or provincial human rights.

Mr. Downey: We will attempt to make it available as quickly as possible.

The Acting Chairperson (Mr. Dyck): Item 10.2. Business Services (d) Telecommunications Marketing (1) Salaries and Employee Benefits \$308,600—pass; (2) Other Expenditures \$458,800—pass; (3) Less:

Recoverable from Rural Economic Development Initiatives (\$182,300).

Mr. Sale: Mr. Chairman, could the minister indicate what the rationale is for the recovery here?

Mr. Downey: Basically, the initiative is carried out under the direction of I, T and T, and there is a percentage breakdown of which Rural Development is to pay for part of it, and it is recovered from Rural Development.

Mr. Sale: Mr. Chairperson, I apologize to the minister. I did not hear the middle part of his answer.

Mr. Downey: Under this program, Mr. Chairman, I, T and T provides 25 percent of the funding; Rural Development provides approximately 25 percent of the funding; and the other recovery comes from the Manitoba Telephone System, MTS, at 50 percent of the funding for this initiative.

Mr. Sale: Okay. I thank the minister for that. Could he update us on the company called Call Centre Support Associates? We had discussed that under Manitoba Development Corporation Annual Report. Apparently, it had not come into existence or no money had been flowed at that time. Could he update us?

Mr. Downey: I understand that is not proceeding to come to Manitoba.

Mr. Sale: Mr. Chairperson, did I hear him saying it is not proceeding to come to Manitoba?

Mr. Downey: That would be in the affirmative.

Mr. Sale: So, this I think again raises I guess a question of probably my understanding of announcements. Is the minister essentially saying that announcements are provisional for the most part and that when announcements are made, the agreements have not in fact been signed and money has not in fact flowed?

Mr. Downey: It is my understanding that there was not an announcement made that they were coming.

Mr. Sale: It was shown as a liability on the books, or an asset, depending on how you look at it, I guess, on

the books of the Manitoba Development Corporation in the amount of \$750,000, I think, and it was put on their balance sheet. So one would normally assume that an item on a balance sheet had some reality to it.

Mr. Downey: It was not an announcement. It was an accounting as to what accommodation had been made, but no announcement had been made as to whether or not it would in fact take place.

Mr. Sale: Well, then let me rephrase my question. Is it practice that the Manitoba Development Corporation will show provisions for projects which are not in fact underway or have not in fact been moved forward but they are potential projects for which provision has been made in advance but they may not take place?

Mr. Downey: I guess the member understands a little bit about business or government, that if there is a potential of something happening and there is a potential of that being carried out, there has to be an accommodation made for that. In this particular case there was an accommodation made for it in the Manitoba Development Corporation report. For whatever reasons, the project did not proceed, and the accommodation was made, did not proceed, no announcement was made, and so that is a wrap. That is what you call full disclosure, Mr. Chairman.

The Acting Chairperson (Mr. Dyck): 10.2.(d)(3) Less: Recoverable from Rural Economic Development Initiatives (\$182,300)—pass;

10.2.(e) Industrial Technology Centre \$886,800.

Mr. Sale: Mr. Chairperson, the centre has continued to be a home for some quite specific operations that are not really central to the industrial technology development board, the board that Bob Silver, EITC, has chaired for some time, but they in effect operate out of and with the centre itself. The board seems to me to be more of a community-business-labour, well, hopefully labour, I suppose think-tank, steering body, resource to government to try and ascertain good economic development directions for the future, to be on top of trends and opportunities, but it is much more in the nature of an advisory board or a secretariat that would help government link to the business community and see opportunities, act as a bridge and I think a very

valuable—I am not being critical of it, but it is not clear to me why it still relates to the centre that has some direct service operations which are very niche orientated, very specific.

The function that makes sense to me out there is the library and the business linking systems that I think are very valuable to government and to industry, particularly the library function. I am wondering whether the government has a plan to evolve this physical plant, which comes from another era. It is not that that is a bad thing or a good thing; it is just a reality. But we have a board that is trying to do a broad advisory strategic job operating an agency which has some elements of extremely narrow direct service functions. In some ways they earn money, a bit; in other ways they are really just holdovers from another time. Is there any plan to change this operation?

Mr. Downey: Mr. Chairman, I guess the first answer to the comment is that the board that is in place is advisory and advisory only, that it is an organization that is operating as a special operating agency that is putting it on a basis of presenting itself more in a business capacity than a totally government funded agency, and we are pleased with that. We are pleased with the performance of it and see it having some growth opportunities because of new developments and new things that are taking place.

In the future changing its role, I would certainly be open to any discussion that the advisory board may have or anybody else in the industry or society that see that it may play a greater role in the overall economic development that is to be carried out in our province. I do not have any question that every instrument of government or everything within government, although there are some pretty basic things that will remain without a lot of changes, there are always things that are on the horizon that would cause you to consider change.

If the case were to be made that it could carry out a greater capacity in the overall support of industry and development of new product or areas that it is now not covering, I would entertain that kind of discussion. I think we want to maximize and utilize the facility that is there and to expose it to the greatest amount of activity possible, so that it can not only generate

revenue but lead to the creation of jobs for the work that is there and carry out a meaningful role. So I am not at such a solid fixation that it cannot change, but certainly open to positive recommendations. Further, there is a review that is mandated to take place after three years, and we are now entering the third year at this particular time.

* (1140)

Mr. Sale: I think right at the end of his answer, the minister gave me some information that they are in fact looking at the mandate and the operation. The minister indicated that the board is purely advisory. Then is the SOA operated by the employed staff and they are the accountable group? The board is not in fact operating? Because I believe Mr. Silver signs the annual report of the centre.

Mr. Downey: The reporting mechanism is that the CEO reports to the deputy minister through to the minister.

Mr. Sale: The annual report includes the operations of the centre itself, I believe, and I believe Mr. Silver signs that annual report. I thought he reported as the chairperson of that committee.

Mr. Downey: It was removed from EITC, Mr. Chairman, and it is now directly to the deputy to the minister.

Mr. Sale: Pass.

The Acting Chairperson (Mr. Dyck): Item 10.2. Business Services (e) Industrial Technology Centre \$886,800—pass.

10.2.(f) Health Research Initiative \$2,000,000.

Mr. Sale: Mr. Chairperson, of this funding that was flowed last year, \$500,000, was that in fact spent, or was it committed and lapsed?

Mr. Downey: Mr. Chairman, spent.

Mr. Sale: Mr. Chairperson, does this go primarily to St. Boniface research? Where do these funds go?

Mr. Downey: The answer would be yes, and the funding for this year will go to the Manitoba Cancer Treatment and Research Foundation, Children's Hospital Research Foundation, St. Boniface Research Centre, Health Sciences Centre Research Foundation, and the University of Manitoba, to assist each facility in meeting their operational expenses related to health research activities.

Mr. Sale: Mr. Chairperson, could the minister table the amounts to each just as information?

Mr. Downey: When available, Mr. Chairman. It is still under consideration as to the amounts to each one.

Mr. Sale: Pass.

The Acting Chairperson (Mr. Dyck): 10.2.(f) Health Research Initiative \$2,000,000—pass.

10.2.(g) Manitoba Centres of Excellence Fund.

Mr. Sale: Could the minister review the centres of excellence that are funded under this? I presume it is the Centre on Aging and several others, if he could review those?

Mr. Downey: Yes, I could. The Canadian Genetic Diseases Network, MICRONET, Inspiralex, the NeuroScience Network, Canadian Bacterial Diseases Network, Institute for Robotics and Intelligent Systems, Canadian Institute for Telecommunications Research, Isis Canada, and HealNet.

Mr. Sale: Mr. Chairperson, these must be all very small individual grants. Could the minister do the same in regard to my previous question?

Mr. Downey: The answer would be affirmative.

Mr. Sale: Pass.

The Acting Chairperson (Mr. Dyck): 10.2.(g) Manitoba Centres of Excellence Fund \$450,000—pass.

Resolution 10.2: RESOLVED that there be granted to Her Majesty a sum not exceeding \$23,429,800 for Industry, Trade and Tourism, Business Services, for the fiscal year ending the 31st day of March, 1999.

Moving on to Tourism, 10.3. Tourism and Small Business (a) Tourism Services and Special Projects (1) Salaries and Employee Benefits \$619,200.

Mr. Sale: Mr. Chairperson, I gather the minister has a new staffperson at the table whom I know, but he may want to put her name on the record.

Mr. Downey: Yes, Mr. Chairperson, we are joined by the head of our Tourism Division, ADM Loretta Clarke.

Mr. Sale: Mr. Chairperson, I want to just start by complimenting the department in regard to a difficult year last year, which I had the opportunity to hear Ms. Clarke a couple of times on radio, and when we were wondering whether we would all float away or whether we would have access to Manitoba from the south by August, so I thought that the department responded credibly to the flood opportunity. I suppose, in many ways, if we could have accommodated tourists during the flood, it probably would have been quite a draw to have seen the Red Sea south of Winnipeg, so I wanted to compliment the assistant deputy on the work that she did through her department during that time.

I know everybody in the civil service had an exciting time. Those of us who were just elected opposition officials, all we did was discover muscles we did not know we had or we had forgotten about, but government had a difficult management time, as well as probably some of them discovering muscles they were not sure that they had, so I just want to put on the record our appreciation for that.

Last year, Mr. Chairperson, we discussed in Estimates the repositioning, retendering of our major marketing activities. I think there were some new people hired or contracted with to undertake different kinds of marketing. I wonder if the minister could review what has been done to change our marketing approach. What initiatives have been taken during the past year that have changed how Manitoba shows itself to the world?

Mr. Downey: I thank the member, first of all, for his comments to staff. Of course, the one sitting at the table is fully aware of his comments, but we will make sure that all of the staff within the Tourism department

are cognizant of his compliments, and I thank him for that.

Basically, there is a new program that has been developed as it relates to the promotion of the province that is being carried out with in mind, basically, building on the province's tourism strengths, our events, our family activities. I am pleased that the work has been done by carrying out some focus group activities, all of those things that ask the users of the product what they best would like to do.

I want to put on the record at this particular time that some of the things that we are seeing is in fact bearing some results. First of all, our first quarter results from the U.S. were up by 7 percent for the first quarter. What is considered foreign, which would not be U.S., is coming from the airport system in other countries other than the U.S. I guess, the U.S. could be considered foreign as well, but it is really in the tourism market that we consider it pretty much one of our main areas outside of Canada, but what is considered other than U.S., foreign is just about 34 percent for the first quarter. Inquiries at our visitor centres, up 16 percent; our Internet inquiries, up 66.6 percent; and, overall expenditures for the same first quarter, up 5.7 percent. That is basically it.

I say, Mr. Acting Chairperson, there is a whole new program that is being introduced by the department which I will just give a quick outline, and I do not want to take up the member's time. Outdoor adventure, cultural, rural-urban tourism packages, ecotourism, agriculture tourism, winter tourism and festival and events tourism activities.

Mr. Sale: How is the government focusing its advertising of these various opportunities on appropriate markets, the niche markets?

Mr. Downey: I can give them the geographic market areas which we are targeting. Is that what he is asking, or, just maybe I need a little more clarification?

* (1150)

Mr. Sale: The criticism that was levelled by industry sources and observers about the previous approaches to marketing were that they were broad-brush marketing

which might be summed up as "we are beautiful, come and see us." That works in the Yukon and British Columbia where it is manifestly true that there are some spectacular things to see.

Most tourism industry conferences in the last few years have been saying that the products that are marketed have to be marketed to audiences that have some interest in them. We can use the example of the family that wants to go on a family vacation and learn something on the vacation, have a good time, be safe. So they want some very specific information, and they are a very specific market. It seems that is what the industry is telling us we need to do. So how is it that our new campaign responds to those changes?

Mr. Downey: I appreciate that. The manner in which we identify those particular products of which customers are interested is some of the work that has been done by the department to ask questions, to have them fill out forms, border surveys, when they are leaving the province of Manitoba on their last visit and other focus group activities. Quite frankly, what we have been able to boil it down to are the areas which I put on the record.

The outdoor adventure, whether it is the fishing activity, whether it is the camping in some of our provincial parks, family events, pretty much of the outdoor adventure and, of course, the traditional fishing and lodge activity.

Cultural, which we would bring into the same category as festivals and events with the cultural activities, such as Folklorama and those kinds of special events, Festival du Voyageur, rural and urban tourism package. Again, there is quite a genuine move out there by the rural communities to bring agriculture tourism, which, again, is another one, and I put that in the same category with ecotourism, agriculture tourism. It is, again, outdoor adventure activity of which it has a special element to it.

Winter, again, is something where you see—and it has been unfortunate with the loss of a lot of people—the snowmobiling, but snowmobiling, cross-country skiing and use of the winter wonderland that we would refer to as part of an overall adventure that a lot of areas

throughout the world would never have the opportunity to experience.

Festivals and events, whether it be the Morris Stampede, the Austin summer event, and, again, another tremendous asset we have, of course, is the Festival du Voyageur and Folklorama, which are special events, which we are focusing on. We do not have the Rocky Mountains, but we have these kinds of events which people would enjoy.

Mr. Sale: Mr. Chairperson, I understand what we have. My question was: how are we marketing to those who might want to enjoy those things? I know what we have got. The problem has been how to reach the potential audiences who would respond positively to what we have got.

Mr. Downey: Mr. Chairman, again, we try to find out what the traditional customers want that we have, as we have talked about, and then we use a certain medium like the Travel Values program, television, which is not as extensively used in the international market as what we now probably use domestically through the information.

Again, I made reference to some of the Internet and all of these new modern technologies that relate to people wanting to get information about the province, guidebooks, newspaper ads, all the kinds of mediums that are available. Again, it is fine-tuned by the department to say here is the best impact that we got by using this kind of medium for this type of product, and this is where our best results are coming from, so that is basically it.

I can just give a little bit more of an idea here on specific amounts of money, like the Explorer's Guide, \$180,000 spent; Accommodation Guide, \$150,000 spent; Fishing and Hunting Adventures, \$125,000; Convention Facility Guide, \$25,000; Winnipeg map sheet, \$50,000; Tour Shells, \$200,000; Explore Manitoba in different languages; Travel Values Guide, \$180,000; Master Angler certificates—all of those kinds of promotional materials are broken down in the budget.

The system is to further identify with people who have been here what they get their best—we find where

our best market demands are coming from and then feed into that with the best medium that is available to get to that marketplace.

Mr. Sale: Mr. Chairperson, it is not clear to me how we are to learn the effectiveness of this. Maybe it is too new to be assessed at this point, but just to give a very concrete example, let us talk about snowmobiling. That is a sport that the hotel owner down in what I think is St. Pierre is appreciative of, but he does not feel that the marketing that has come from Manitoba is what is specifically helping because he does not see how it is reaching into those clubs and associations. There are trail riding associations, snowmobile associations, snowmobile clubs, snowmobile publications. I am not telling minister anything he does not know.

There is a whole industry here. Are we taking our message into that industry in a very specific and targeted way, or are we still doing a fairly broad approach with ads in various places? It seems to me what we are being told is we should be inside those associations, marketing directly to them in a very focused way. That was my question.

Mr. Downey: The answer is yes, we are very targeted and focused because quite frankly we are using less what you would consider broad-brush, feel-good, kind of advertising. It is now more focused into specific areas that have demonstrated and yielded results by the tracking that we have available to us.

Mr. Sale: I know we are running out of time, but perhaps if I could ask for our next meeting, which will probably be Monday, if the minister could provide some examples of targeted campaigns and how those have taken place. That would help me understand the changes that have taken place.

The other question I would like to ask, and perhaps again we could discuss this on Monday. There are very different statistics used by the department from Statistics Canada's Tourist Scope statistics. There seems to be a continuing divergence between those two sources. They are both StatsCan in origin, I believe, but Tourist Scope does not sustain the notion that our tourism is growing. It in fact is the opposite. The numbers the minister put on the record show, he talked about growth, year over year that may just be an

anomaly because of the flood in the previous year, I do not know. But there is a very great difference between Tourist Scope numbers and the numbers of entry and exit numbers that the deputy minister and the minister use. Perhaps at our next meeting we could have an understanding of why one set of numbers is going in one direction, and the other set appears to be going in the other direction. I would suggest that we leave it at this point and have those questions as something we could start on at our next meeting.

Mr. Downey: I would appreciate that. The first quarter numbers I put on were for 1997 last year which were prior to the flood. The numbers I put on the record are 1998 over '97 of which the 1997 would be prior to the flood. That was right. I will try and provide that information plus get some tourism packages for the member so he clearly can see what we are targeting and how the strategy is in fact working.

The Acting Chairperson (Mr. Dyck): The time being 12 noon, I am interrupting proceedings. The Committee of Supply will resume sitting this afternoon following conclusion of Routine Proceedings.

CONSUMER AND CORPORATE AFFAIRS

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 Consumer and Corporate Affairs.

Would the minister's staff please enter the Chamber at this time. We are on Resolution 5.1. Administration and Finance (b) Executive Support (1) Salaries and Employee Benefits.

Hon. Mike Radcliffe (Minister of Consumer and Corporate Affairs): I wanted to share with my honourable colleague a comment that I received from the Corporations Branch. I was really quite enthused to see they are right on the bit. They have forwarded over to me a copy of a pamphlet called Impact 2000, which is in response to my honourable colleague's line of questioning on the Y2K problem. [interjection] My honourable colleague indicates to me that he has copies of this pamphlet.

The significant thing is that the Corporations Branch has copies of this pamphlet. The Corporations Branch will be mailing out the annual return notices to all the corporations during the course of the year, and they advise me that 66,000 copies of the pamphlet they have received, and they began including them in their mailings in August '97. All active corporations will receive this pamphlet some time between August '97 and '98.

The business-name renewals occur every three years, and we will have sufficient copies to mail to business names until January '99 with this pamphlet. So this pamphlet is hitting the street, and it shows that Corporations Branch is plugged in and aware. This is the reason why, I think, Corporations probably got that award of excellence, second prize, recently because it indicates that they are right on the money.

Mr. Jim Maloway (Elmwood): When we left off the other day, the minister had just begun to get into the subject of cookies, so I did want to follow up on that and ask him some questions about that issue. I would like to know whether the government has studied the issue of cookies, and does the government have a position on that issue?

Mr. Radcliffe: It has been several days since we were last discussing Estimates, and I would ask my honourable colleague to refresh my memory because we do not have the facility, I do not think, to read back from the transcript in this Chamber as we do in the courthouse. So I disremember this topic, and if he could assist me in reviewing the topic, I would be more than happy to respond.

Mr. Maloway: We were talking about the Y2K problems, and the minister brought up the issue of cookies. I thought that I would use that opportunity to ask him whether his Research department has done any work in that area and whether he could give me an update as to whether they have done anything on that subject.

Mr. Radcliffe: Not at this time, Mr. Chairman.

Mr. Maloway: I believe that his department probably has not done a lot of work in the area, but certainly I think the federal government has done some work in

the area, and I would ask him to check with them. It is certainly an emerging issue because privacy is important, and people are finding that the issue of the cookies question is allowing people to compile information on people, and that can be used, for example, when your kid gets on the Internet and uses certain Internet sites. Through the use of the cookies, the information is obtained, and it can be used to sell products and to be able to cite preferences and so on.

So, certainly, there is an issue, and governments have been looking at the area. I just wanted to make certain that he was going to look into the issue and check with his department, check with the federal department and just find out what is going on on that issue.

I have quite a number of pages on the issue here. I would like him to sort of look into it and get back to me at some later point.

Mr. Radcliffe: Mr. Chairman, I thought that my honourable colleague was referring to cookies being that nutritious substance that is found in the caucus room in the jar behind the door, but, in fact, I believe he must be referring to an anagram of identification in different Internet site locations where you have to sign in, and you give your name, address, age, et cetera.

I believe that is perhaps what he is talking about and that marketing corporations or marketing individuals then have the opportunity to respond, react, cull and collect that information. If that is, in fact, what he is referring to, I was not aware that that was an anagram called cookies, and I would love to know how we arrive at that designation.

* (1010)

In any event, I have just received a communication from Marjorie Simpson who is my director of Consumer Affairs who is working on the agenda for the ministers' conference in Prince Edward Island, in Charlottetown, this fall, in November. I believe that the Internet's commerce is one of the issues that is going to be discussed and researched. It is a matter of concern for me, because it is an issue. Electronic exchanges, are, in fact, a significantly unregulated medium at this point in time and begs for abuse. At this point, it is I think subject to abuse in some cases. I have had

constituents talk to me about anti-Semitic literature that has been placed on the Internet.

There is concern in my community about this, and I am concerned. I am a bit at sea at this point perhaps because of my lack of technical knowledge on how these things can be controlled, and I would welcome any research that my honourable colleague might have or if he can direct me because I certainly would put that into the department, and this could form a topic for national consideration.

Mr. Maloway: I did not want to spend a lot more time on the issue, but I think I have some information here from the Internet on the subject. It refers to, under Government Speaks Out On Cookies—it has to do with the Energy Department's, I guess this is in the United States now, Computer Incident Advisory Capability. They issued a report, and they did stress a concern over the use of persistent cookies to target users. They are being used to track people's browsing habits.

So there are a number of issues involved here. Nevertheless, I will pass this information on to the minister, and maybe he can follow it through with his deputy and his Research and Planning branch.

I would like to ask the minister for an update on the CAMVAP program. It has been in place now for a number of years, but I continually have people come to my office with horror stories, with files in which the use of the CAMVAP should, in fact, be producing results for these people and it does not seem to be doing that. I am certain there are some happy customers, I guess, of the current CAMVAP program, but I am finding enough people who are not happy with the results. So could you give me an update as to what is happening with CAMVAP?

Mr. Radcliffe: I am more than happy to forward the last annual report from CAMVAP to my honourable colleague. I do not have that at hand here, but that gives us an up-to-date as of last year of the activities of this department.

I do want to extend to my honourable colleague the offer that, if, in fact, there are individuals in the community, consumers and Manitobans in the community who, he feels with his research, have been

not satisfied and have legitimate claims, if he would be so inclined to pass their names along, I am more than pleased to look into the matter and report back to him.

Mr. Maloway: Has he made any representations to CAMVAP with the view to improving the program, perhaps getting it involved in used vehicles? I believe Florida developed a program similar to the lemon law for new cars, but adopted a program for used cars. Has he made any representations on this or any other area concerning the CAMVAP program?

Mr. Radcliffe: I have not at this time. I am certainly prepared to look at that. I have met with some of the representatives from this organization in the past, and they will be coming in again to meet with me, I am sure, in the next year, in the course of the year. I am certainly prepared to give this matter some attention.

Mr. Maloway: I would like to thank the minister for that. As the minister knows, the cable companies, when they are not asking for rate increases, actually do some work on introducing new products. One of the products that they have been working on is the Wave. I would like to ask the minister: what is the state of this technology right now, and just when is it going to be widespread available to Manitobans and, in fact, to this Legislature?

Mr. Radcliffe: I do not have anything up to date on this matter at this point in time, but I will certainly direct my staff to make the appropriate inquiries and respond to my honourable colleague on that issue.

Mr. Maloway: I know that there is kind of a spotty approach to the roll-out of both the Wave program that the cable companies are bringing out and its competitor in the telephone area. Some areas of the country and B.C. have the cable option but do not have the telephone option yet, and others have the telephone option but do not have the cable option.

So I realize there are some inconsistencies. Also, I do not know that the producers or the suppliers are meeting their targets. I have heard different target dates for this roll-out. I have heard it last September and then January and then June, then in the fall, so I would like

to know what the problems are with that whole issue. Also, I would like to know whether and when they are going to have a hookup, a Wave hookup, anyway as far as cable is concerned, to the Legislature.

One would think that this would be one of the first places they would start. I would like to know what the minister can do about that or will do about that.

Mr. Radcliffe: Certainly we are prepared to contact the cable companies and discuss this matter with them and look at the technological requirements for it, and the cost for it. I know there are some limitations to electronic communication within the building. I know the LBIS has some restrictions on our behaviour within the confines of government and tries to restrict the activity in ministers' offices, so anything that would be done we would have to contact and co-ordinate with them as well.

Mr. Maloway: While he is meeting with and discussing these issues with the cable companies, I would like to ask him whether he could inquire of them as to why they cancelled the replay of Question Period here in the Legislature. It seems to me that as a service to the public they provide the initial—they used to anyway—the original Question Period, and then a replay later on in the evening. As from the beginning of this session, they have cancelled the replay so there are absolutely no replays now. There is only the first broadcast of the actual Question Period, and then, I am told, only if there is no City Council meeting. So the days when there is a City Council meeting, either they do not do it or they do it after the City Council meeting. So what people were used to was the Question Period live, a replay in the evening. Believe it or not a lot of people evidently watched this program and five days a week, Mr. Minister.

Well, now, as of the beginning of this session, we are down to four days a week. We are knocked down to two runs, and then we are down to one run a day, and then on Wednesday when there are City Council meetings, they do not even get that, so it is a drastic reduction. So I would like the minister to bring that up with the cable companies when he meets with them and report back to us as to what his results and findings are.

* (1020)

Mr. Radcliffe: Well, Mr. Chair, I can only respond to my honourable colleague that maybe the ratings on Q.P. are down. It just may show a paucity of acerbic probing questions or wit or intellectual content, I do not know. I am not an expert in media marketing. However, given the opportunity if that presents itself, I certainly will make the inquiries, and if I receive anything substantive I will share that with my honourable colleague.

I must caution him that media share and public attention is a very fickle thing, and perhaps this is just an example of the fact that the public was not interested in watching us perform here in Question Period on the public medium, that the cable folk have gone elsewhere for their entertainment, that we were not the appropriate gladiators that my honourable colleague may think that we are.

Mr. Maloway: I simply ask him to take the issue up without the editorial comments and his personal opinions as to whether or not it is good value television or not, just to take it up because evidently there are some people who like to watch it. I am not certain why either, but they do, and they do ask about it.

I would like to ask the minister what his Research and Planning department has, or has not, done over the last year in the area of a franchises act. We have discussed this in the past. This is certainly an emerging area. We could spend hours and hours, days in fact, of Estimates on that subject alone. Alberta had a very substantial act for a number of years. In fact, they were the only jurisdiction to have one. With the increasing number of franchise operations, I mean, they are not a declining area of business. In fact, it is an increasing area of business. It is sad to see people who have worked in jobs for 20, 30 years take early retirement—it is very common nowadays—and take their retirement savings and invest in some franchise operation and find out that it is not what they thought it would be.

I think that when there are business failures, people will oftentimes—you know, they do not blame themselves, but sometimes they have good reason not to blame themselves because they were not at fault. There were promises made, for example, by franchisers and promises of million-dollar advertising campaigns or different promises and the franchisee, who is not

usually all that sophisticated an investor to begin with, finds him or herself victimized. After they have turned over \$50,000 or \$100,000 for the franchise, they find that the franchiser has perhaps overextended themselves, unable to keep their promises of this advertising and so on, and the result is they are left to die on the vine. That is common, that goes back. I remember running into issues like this as early as 1980 or so with franchisers.

You know, they have an organization in Canada, and they do try to police their members and so on, but I think that people who are unsophisticated investors, who are going at this with the right intensions and reasons and putting up all of their life savings to buy these franchises, I think they expect a consistency, and they expect the promises to be kept. When, Mr. Minister, the company—and I am just using this as a for example—promises to spend a certain amount of money as an enticement, in fact an inducement to get people to sign up on the franchise and put up their money, when they make certain promises like I will advertise a half-million-dollar advertising program in six months and I will do this and I will do that and I will do the other thing, and then they put up their \$50,000 and the company uses it but diverts the money off to another use somewhere else because it has sprung leaks in other parts of its organization in Ontario or Nova Scotia or whatever, and the little Manitoba franchiser is out his money and does not get what he is expecting.

Now, how did Alberta solve the problem? Alberta solved the problem under their previous franchise legislation by requiring that the deposits be put in trust until the promises that were made were kept. So what is the moral of the story? I guess the moral of the story is do not make promises if you are not going to keep them. In other words, if you promise the advertising campaign, in this case, or if you make any promises, then the money is held in trust. It is a typical lawyer, you know, the lawyers are used to this. The money is held in trust, and then when the promises are kept, the money is transferred.

So what does a franchiser learn from that? The franchiser learns from that that they do not make these promises in the first place, right? They do not promise million-dollar advertising campaigns. They do not make all these promises. They are much more careful.

They are much more realistic. They disclose the information more readily.

You know, what was very interesting under the Alberta law was franchise companies tended to route their way around Alberta. They tended to stay away from Alberta. They stayed far away from Alberta because, once again, they could not get away with making promises that they were not going to keep. They did not like putting the money in trust because they liked to grab it and use it for other purposes, and they did not like the disclosure rules—well, I mean, if the country had consistent rules, like CAMVAP has consistent rules.

There are a lot of national programs. If you had a national program and some sort of consistency here, then it would not matter. If they are going to deal in Canada, they would have to have the same kinds of rules. As long as Alberta had this different set of rules, they would work right around Alberta. They would go to the Saskatchewan border and then stop, go around Alberta and go into B.C.

So I would like to know what this minister is doing about this or what he is planning to do about this over the next 12 months.

Mr. Radcliffe: I recall the very thorough conversation that we had last year, my honourable colleague and I, on this very issue at Estimates time. As a result of that conversation, my Consumers' Bureau, I can advise him, was very vigilant throughout the year with regard to trying to perceive whether there was any abuse going on in the marketplace that would justify or require legislation or intrusion into public affairs.

In fact, I can tell my honourable colleague that as at this moment the state of my knowledge is that we have had no complaints on franchise fraud. What I can tell my honourable colleague is that, No. 1, the Consumers' department is vigilant on the issue, but, No. 2, we are engaging in a national program called Can Share which is a communication vehicle from province to province.

We are only going to be the passive recipients, unfortunately, of the information from other provinces, because at this point we do not have the technological expertise to hook up to the system. We expect to be

operative on the system probably around July, August this year, so that all the provincial Consumers' Bureaus will be corresponding with each other on an electronic basis. So if there are issues that do show up, say in Quebec or Halifax or Vancouver, we will be up to date, and we will be watching and waiting for these people.

The other thing is that I do remind my honourable colleague—and as soon as he started this topic or line of questioning, I was trying to remember the name of the chap who was charged, and his name was in the newspaper quite recently. He was convicted of consumer fraud, and his sentencing was reported in the Winnipeg Free Press within the last month, where he was going out and fleecing the public on a franchise concept.

On a personal note, I can respond, as well, that one of my nieces was the victim in one of these scams. When I was her solicitor, I was able to get back, I think, \$3,000 of the \$5,000 that she had put into it, because traditionally these people do attract people who are vulnerable, people who are overeager for a business opportunity, people who are perhaps unemployed and have certain assets but are out of the workplace and do not have access to communication. So I want to assure my honourable colleague that from a personal perspective, as well, I am very sensitive to the issue.

* (1030)

I am aware of some of the inputs that make up a scam and how these people operate. They try to inveigle the mark in the door with blandishments and promises of riches. Then there is always a high-pressure sell where they have to commit within a very short length of time in order to prevent the individual victim from going to their support group to obtain rational and appropriate counsel. There is always a significant deposit up front, a failure of the bunco or fraud artist to provide any substantial references.

It is almost a pattern that you can see develop in this behaviour. I have worked with these sorts of cases and I am aware of it, so that if we see that there is an upsurge in the market of this sort of behaviour, we will become involved and start researching it and look at our alternatives. As of the present time, we have not

had significant reports to us of this type of misdemeanour.

Mr. Maloway: I believe the minister when he says they have not had significant reports, and I want to tell him why I think they have not. Typically what happens—and by the way, there are a couple of types of franchise operations. There are the fairly legitimate operations, and I think if you talk to somebody in the franchise organization of Canada, they can tell you which ones are the good ones and which ones are not, but there are some that are just designed for failure. They are designed that way.

There was one in town here. I think it was a pizza operation, and the reason you could tell it was designed for failure was because of the turnover rate. They did not care whether it failed. They took maybe a \$10,000 up-front fee, and they knew it was going to fail. It had failed 100 times before; they did not care. They were just running people through. They would put ads in the paper and take \$10,000 up front, and they knew three months later they would be refranchising it. So they were making it on the up-front fees right? I mean, a guy would get in. He would lose his money. They would say, oh, sorry, pal, time to go, and they would have another guy waiting in the wings, right? Each of these people would think it was their fault for it not being successful, but the reason it was not successful, it was in a bad location, or there were reasons why, but we are not talking about supersophisticated investors here.

You see, what happens is the people who can put up \$10,000 and \$20,000 and \$50,000, my voters do not feel sorry for them, you know. So it is not a big issue here. Probably a bigger issue for the minister because he represents a constituency where probably a much higher percentage of his constituents are buying franchises as opposed to my area. But my point is that the people who are buying these things, a lot of them are not going to be on the welfare lines if they lose all their money. So it is embarrassment, and on their part they do not want to make an issue of it.

The other issue, by the way, is very clear, and it goes back to lawyers again. There are these 50 and 100 page—the minister has seen these. You know, you have read these franchise agreements. They are designed to

keep those franchisees in line. I mean, that is what it is all about. Franchise companies have a huge franchise agreement that says you cannot do this, you cannot do that. You cannot talk about—

An Honourable Member: Call a lawyer.

Mr. Maloway: Exactly. You cannot talk about all these things. There are all these confidentiality agreements in there that these people do not even want to talk to me about it. You know, they will tell me there is something wrong, but they say, well, you know, I am worried that I might be sued because it says that it is supposed to be confidential.

So you are right. The member for Inkster (Mr. Lamoureux) says, well, you talk to your lawyer, right? That is exactly what happens. The guy has just lost \$50,000, right? Does he want to lose another \$50,000 and his first-born talking to his lawyer? Right? [interjection] Well, but this is what it will amount to.

Point of Order

Mr. Radcliffe: Mr. Chairman, a point of order, my honourable colleague has suggested that lawyers are rapacious, an element of society that go after a first-born.

Mr. Chairperson: Order, please. The honourable minister does not have a point of order. I did not understand the words.

* * *

Mr. Maloway: I really meant to say not to deride lawyers here, but to simply say that one of the reasons the government should be bringing in protective legislation is to make certain that people do not have to follow that avenue of going to the lawyer and running up more bills. That is what they tell me. They say, listen, I have lost \$10,000, I have lost \$20,000. I am very angry about it. I have a contract that ties me down in terms of talking about it and disclosure. Why would I go to a lawyer? It is just going to cost me more money, right?

If they have lost \$10,000, it may cost them two or three years of legal wrangling to try to get their money

back, and the contract is against them in the first place, so they walk away from it. What I am saying, if you have an act similar to the old Alberta act which spells all these details out, then people do not. They can invest. They know that there are rules there, disclosure rules. They know that they do not turn over their money until promises have been made. They do not have to go to lawyers to the same extent they have to right now, and if they lose, they lose. I mean, if they get involved in a losing proposition, they lose on a level playing field, then they will not mind it as much, but right now it is not really a level playing field for them.

Now, the member for Inkster (Mr. Lamoureux) had a couple of questions he wanted to ask the minister about cable companies, so I wanted to give him the opportunity to do that, and then I have some more questions for the minister.

Mr. Kevin Lamoureux (Inkster): I was listening to the minister's response when you were talking about Videon Cable and the hookup over here, and I did have a couple of questions with respect to that, but prior to that, I just wanted to add a little bit to what the member for Elmwood (Mr. Maloway) is talking about because I do believe there is indeed a need, a requirement, for the government to take some sort of action with respect to franchises.

I can cite one specific example in my riding in which I met with a constituent who for all intents and purposes got shafted. It is the clauses, the many clauses that are in these franchisee agreements so, for example, here is an individual that buys a doughnut shop franchise, if you like. A wonderful, beautiful picture is painted for him, and it does start to materialize, and then all of a sudden another doughnut shop from the same company pops up right in the same proximity, which really takes away a lot of the business. He then finds out that because of a clause within his contract that he signs that the franchiser has the ability to put up additional doughnut shops as long as they do not infringe upon this amount of distance. Well, that was never really pointed out.

Now, one could ultimately argue, well, consumer beware, but as the member for Elmwood has pointed out, these contracts are not three, four, five pages. They are fairly lengthy, and for someone who is

looking to fill a job by becoming an employer, or looking at the opportunities, maybe not all of the work is being done that could have been done, or possibly should have been done, but the point is that it is quite odourous—onerous. The minister, who knows many more words than I know, corrected me on that, Mr. Chairperson.

* (1040)

I think that responsibility can be assisted if, in fact, the government did come up with legislation that allows for more disclosure, or more open disclosure, something to help facilitate. I do not believe you are getting—the phone is not ringing off the hook. I do not believe that that would be the case. I think a number of these individuals will go through the bankruptcy modes, they will take other forms of just getting out of the business because they have had a real bad experience that could have been prevented had government been more forceful with some of these franchisers in the way in which they sign agreements and get people involved in some of the franchises. I believe that there is something more that government should be doing, and I would suggest that the minister should look at that.

Mr. Jack Penner, Acting Chairperson, in the Chair

Having said that, Mr. Chairperson, I sat inside many different forms of committee hearings and had many discussions with respect to this Chamber and how it is televised, and I do not think it has anything to do with the ratings at all in terms of why we are being televised or why we are not being televised.

In fact, in other provinces, and I look to our neighbour Saskatchewan, where the population is not as high as the population in Manitoba, and if you have ever gone through the Legislature, you take a look inside. They have cameras virtually in every corner of their Chamber. They have a high-tech television crew, if you like, or a booth or whatever it is called that is zeroing in when members are speaking and so forth. They have made a decision, obviously, that it is important that people that live in Saskatchewan are, in fact, aware of what is happening inside the Legislature.

Well, Mr. Chairperson, I do not know if we have to be as extravagant as what is happening in

Saskatchewan. I do not believe that that is necessary, but I do believe there is some responsibility for this government to make sure that Manitobans are provided the opportunity to tune in. Question Period is something in which I think there is some benefit to having it televised, uncensored television. Other legislatures have done so, and I do not think it has anything to do with the ratings.

Mr. Chairperson, if you watch some of the Videon productions on Channel 11, some of them are just wonderful, masterful pieces of work, but there might be the odd one which I would suggest to you the ratings for that particular program might not necessarily be all that high, and ours would not be any worse than that. We have public television in order to send many different types and forms of messages to talk about culture or heritage, or, in our case, I believe I have even seen reports on—whether it is the NDP caucus reports, whether it is the—I believe Reg Alcock has—or there is a House of Commons report, all on this nonprofit, not-for-profit programming through Videon.

I do not believe that we would be any less in demand, or maybe in no greater demand, but there is merit to having Q.P. televised through here. Even though I might like to see myself on television or whatever it might be, I really suggest to the minister that he should be bringing it up. I do not believe he would receive opposition to having it televised. I am curious as to whether or not the government wants to see it televised. I do not believe it wants to see it televised. [interjection] The member for Elmwood (Mr. Maloway) talks about how at one time we used to have replays, and I can recall there used to be replays. That has been cut out, so he says. [interjection] The minister from the second row says it is because the ratings have been cut down.

I can assure the minister it has nothing to do with ratings. I really do believe that it has more to do with this particular government. I do not think it is a plot per se, that they are going out there to try to get us off of television in a public way, in a grand scheme. I do believe that the government really does not care about it, that they would be just as happy to see nothing come out of this Chamber on public TV. I think that is the wrong direction, that what the government should be doing is ensuring that there is a certain amount of public telecast from this Chamber.

Question Period seems to be the most appropriate time, because that is when opposition attempts to hold government accountable, so Manitobans, whether it is one or whether it is a hundred or whether it is a thousand people who want to tune in to watch their government being held accountable and government holding opposition accountable, that they should have that opportunity, and I do not believe that it has been given any sort of serious dialogue from within the Conservative caucus.

The reason why I came up from my office to talk about this after listening to the dialogue between the minister and the member for Elmwood (Mr. Maloway) is because I sat in on LAMC meetings, or management commission meetings, when we were being approached—and the Clerk would have been there at the time also—about the possibilities of expanding, to go beyond just Question Period.

So I think that whether it is through CPAC, I believe it was at the time, that there is some demand that is out there and that the minister should not be quite as quick just to throw it off. I guess what I would be interested in knowing from the minister is that is he in agreement with members such as myself and the member for Elmwood (Mr. Maloway), and I would ultimately argue even members from his own caucus that there is a need to provide some sort of public viewing through television, which is a main part of our medium of communication of what is taking place in the Manitoba Legislature?

Mr. Chairperson in the Chair

I would think it is just as important, for example, as City Council meetings that are televised. At least, that is what I would think, and I would look to the minister to get his thoughts on whether or not he believes there is any benefit to having televised reports, public televised sessions, in particular for Question Period, or does he not see any real merit to it, therefore believes that Videon or whomever, Shaw Cable, should do whatever it is that they want?

Mr. Radcliffe: I think my honourable colleague's remarks opposite are quite insightful. I have a number of responses which I would like to put on the record on this issue.

Firstly, and I think my honourable colleague's question contained one of the answers which is that the Department of Consumer and Corporate Affairs is a regulatory and a registry function in our government. The CCA does such things as record land titles, birth, vital events in one's life, birth, death, marriage, et cetera. We record the existence of corporations and partnerships.

Then, on the other hand, we are the public watchdog in a number of areas such as the Consumers' Bureau itself, the Securities Commission, the Gaming Commission. That is the regulatory side of the issue, the Public Utilities Board. So my research people, the civil servants that are in the department, are geared to resolving disputes at the Residential Tenancies Branch and commission. They are geared to trying to regulate behaviour or register behaviour. I think the concept of whether we should have public media broadcast out of this Chamber or different areas of government or whether we should not is perhaps something that more properly belongs at a debate at LAMC. I think my honourable colleague did mention that LAMC was a forum that had or might consider this in the future. I think that is probably the more appropriate forum.

Mr. Maloway: You are the minister. They will listen to you far more than they will listen to LAMC.

* (1050)

Mr. Chairperson: Order, please. Could I ask honourable members if they have something to say, they should come through the Chair and put their comments on the record rather than interrupting a member when they are in full flight?

The honourable minister, to conclude his remarks.

Mr. Radcliffe: My intellectual process has just been derailed there, Mr. Chair, but I do acknowledge that LAMC is the appropriate vehicle or function to first of all see whether the will of this Chamber and the will of all parties is of the view that there should be further media presentation.

Moving beyond that now, I would like to reflect a little bit on the fact that I think our society as a whole—this is rather a remark of general response—has

become addicted to the quick-fix stimulation which is found in television. I belong to the generation where we were trained and educated to read, and to me, still, even at this point in my life, there is not a finer activity for me than to curl up in front of the fire on a cold September afternoon with a good book and sit and read. Whether I was reading G.A. Henty, as a child, or *The Rise and Fall of the New Roman Empire*, whether it was—

Point of Order

Mr. Maloway: On a point of order, what does this have to do with asking the cable companies if they would consider replaying the Question Period in the evening, which they have done for years and years and years, and they have just discontinued at the beginning of this session? That is all we asked the minister to do. Would he take it up with them as quickly as possible and find out why they will not do it?

Mr. Chairperson: Order, please. The honourable member did not have a point of order, but I would ask the honourable minister if he could be relevant to the question that has been put.

* * *

Mr. Radcliffe: Mr. Chairman, in response, although I did attempt to raise my hand to respond to my honourable colleague's response on his point of order and I acknowledge that perhaps his interjection or ejaculation was not, in fact, a point of order, nonetheless I was trying to be responsive to the remarks of the honourable member who last asked me the question, because his was a long, free-ranging question, and I wanted to cover some of the aspects of the significance of television in our lives. In fact, this may be something that might be more properly debated at LAMC.

The whole concept of media is something, as well, that is something I think which deserves inspection and review, whether, in fact, the different arms of the media are properly representing and presenting the facts that transpire in this Chamber and the opinions of various members that people have sent to this Chamber. I can look to the country media, the country newspapers, who

do an excellent job at representing the views of their elected members.

So this issue and this debate I think is very appropriate to occur. Whether it should occur here in Estimates for Consumer and Corporate Affairs or whether it should occur at LAMC, I question. Certainly, if LAMC were prepared to charge me with the issue of going to contact the media, I would be more than glad to make those inquiries.

As I said already on the record to my honourable colleague opposite, if and when I have the opportunity to discuss this matter with the media company, I am certainly prepared to inquire what the reason was for reducing our exposure. As I say, I can only suggest that it is because the ratings were down, and they had deduced that there was less interest in their viewing public and that we were not obtaining market share.

I do not know about my honourable colleague, but I often am called, telephoned at home during the dinner hour by media people asking my opinion on what I am watching, what I am listening to, what I think about different issues, and I know that the different broadcast companies are very sensitive to their ratings. They do these opinion polls so that they know what people want to hear and what people want to see and what the public taste really is. So it may very well be that the public taste, being a fickle thing, had moved on from watching their elected representatives ruminate in this Chamber on the worthy issues of the day.

Mr. Lamoureux: Mr. Chairman, I will make a very quick question, and that is: is it the opinion of this minister that there is value to having Question Period publicly broadcast? I believe every other Chamber virtually across Canada, in particular Ottawa, does have it broadcast. Does he recognize the benefits of that?

Mr. Radcliffe: Mr. Chairman, I think what my honourable colleague is really asking is should this be a transparent process? Should there be accountability of elected members, government and opposition both, to the public of their activities in the Chamber so that the public can see whether they are getting value for their money? Absolutely. We should be on display. Our activities in this building and in government should

be transparent and open to the public, whether that is being on a television broadcast out of this Chamber, which is, as my honourable colleague knows, only one very small fraction of what we really do, or whether we should be subject to scrutiny on all our activities, which I truly believe in. So I would affirm my honourable colleague's remarks.

Mr. Lamoureux: Does the minister agree, then, that there is also benefit for unedited communications through media to the public?

Mr. Radcliffe: I think I believe in the overall principle of accountability, of transparency, of assuring or enabling the public to perceive whether they are getting value for their dollars here. I think these are very important principles. I think that we have open courts. We have an open Legislature. We have a viewing gallery where members of the public can come down and see us actually in the flesh to perform. We are one of the few Legislatures I think that still have public representation on our legislation, and I think these are advantages that we have in Manitoba that are unique to our system.

Not being a person skilled in media, not being a person trained in these issues, I would want to take some advice, and I would want to think about whether we should have one broadcast, whether we should have two broadcasts, whether we should be on public viewing channels, whether we should be on commercial television. These are weighty issues and serious issues. With the printed press, there should be more content in the printed media about our activities in this Chamber.

I can tell my honourable colleague that we on government side think that we have a wonderful message for the people of Manitoba, and that, if only we could get our message out in a sure and accurate and complete form, the people of Manitoba would flock to our banners and applaud our efforts at government, and that is how we feel. One of our major, major difficulties is getting the message out. So maybe the opportunity of more public television of our proceedings would afford us that opportunity. But those are things that I think deserve discussion and thought, and I think it is very appropriate my honourable colleague should bring that matter up.

Mr. Lamoureux: Mr. Chairperson, for the minister, because I know he enjoys reading, there is the printed Hansard now through the Internet, so there is that form of unedited printed text which anyone can get a copy of. I would suggest that to him.

What I am talking about is the need for public broadcasting of Question Period at the Manitoba Legislature. I believe very strongly, if we have a public network, that it is essential. When we see other legislatures across Canada, and particularly the House of Commons, that provide that service, I think that it is a part, given today's state of medium of communication; that it is negligent on our behalf if we are not doing what we can to be promoting the way in which we operate as a democratic society.

* (1100)

Question Period is one of those ways which is, in essence, one of the cores to our parliamentary system. I think that for Manitobans, whether it is one person who views in or it is a thousand people who view in, there is a great deal of value in having it publicly broadcasted. I have seen it being taken away. As the member for Elmwood (Mr. Maloway) points out, they no longer show the replays. You have City Council from five days to four days, and now one of those days it is City Council, Mr. Chairperson.

If you are going to try and tell me it is strictly ratings, it would be interesting to see ratings for a City Council over a Question Period. I am aware of people who have commented to me on both. It should have nothing to do with ratings. It has everything to do with what I believe is important, and that is promoting our parliamentary system. Other Chambers do it. It does have an impact on the way in which we operate inside this Chamber. The more people who are aware of it, I believe, the better we are.

All I was really wanting from this minister, because I am very much aware of his responsibilities as the Minister of Consumer and Corporate Affairs, but I raise it to him because he does have communication between the government and our public television, or Videon, where there is a responsibility through regulation with these two, with Videon and Shaw Cable. At least that is what I understand.

Most importantly, he is a member of the Conservative caucus. That is why his opinions and views are important. It goes beyond a government policy. In my opinion, it is more about the society in which we live and the way in which we communicate. I think that it would be a positive step forward, at the very least, to ensure that we are not losing ground. When every other Legislature seems to be moving in the other direction, it seems that we are moving in another direction. It is just another way in which Manitobans can become better in tune with the way in which we operate as a Legislature. I think that is a positive.

There are many other questions which I could have been asking in Consumer and Corporate Affairs, and I am sure I will get another opportunity. It was primarily because this is an issue which I have dealt with in the past through LAMC, in part, and I heard the member for Elmwood (Mr. Maloway) comment on it and the minister's response to it. I was not really satisfied with the minister's response. I think he should be taking it more seriously, for what it is worth. Thank you.

Mr. Radcliffe: Mr. Chair, I welcome the remarks from my honourable colleague, and I do not want him for one moment to think that I am deprecating the value of the opinions that he holds, because I think that openness and publicity are essential to democratic government. These are one of the foundations and touchstones of the democratic process. What is done in public that bears the scrutiny of the eyes of the public is something that we are all accountable for, and accountability is really one of the foundations of open and democratic government.

Whether it is televised hearings one day a week, or five days a week, or in our case we only have four sitting days where we are sitting in Assembly here doing Question Period.

An Honourable Member: Eighty days a year.

Mr. Radcliffe: That is right. My honourable colleague says that we are only sitting 80 days a year. So these are the technical, specific issues. I do not disagree with what he is saying, but I think that it may very well be fruitful and beneficial for the general reputation of democracy if proceedings in this Chamber are

televised, or, in fact, the public may be horrified at the carryings on during Question Period.

I must put on the record that, albeit I have indulged from time to time in some of the chicanery and facetious behaviour that goes on in the Chamber during Question Period where we razz one another and we tease and we cat call from our benches and whatnot, but when we have children sitting in the upper galleries coming from the schools, and then I have gone off to room 200 afterwards to explain to these individuals who have come to watch our proceedings the merit and the value of what they have seen, I can look at their faces and see horror at the behaviour of learned, educated, well-paid representatives of the public coming in and behaving in such an infantile fashion. So it may well have an adverse effect as well— [interjection] Educational at best, that is right. We might well be surprised if members of our viewing public had an opportunity to see us on a frequent basis and to see some of the silliness that does go on in this Chamber but, nonetheless, that begs the real issue. The real issue is accountability, publicity, and I heartily endorse those principles. I think they are essential to the mainstay of democracy.

Although my honourable colleague did make a remark which I would want to correct, which he says that I have the function to regulate communication and the media, I do not believe that is an issue that is within the purview of my department. I think that more falls under the CRTC. That is not something that is my responsibility.

However, having said all of that, when next I have the opportunity to share with members of the media, be they the television media, the print media, I will discuss the issue.

Mr. Maloway: Well, the minister gave a rambling and confusing nonanswer to this question. You know, I asked him a very simple question, and that is: would he meet with the cable companies and ask them why they cut back the Question Period replays? There used to be five replays; they have cut them back. I asked him to do that. He said he would meet with the cable companies and do that. A few minutes later, in response to the member for Inkster (Mr. Lamoureux), he then decides that it is an LAMC problem, and he is

going to let them deal with them. This is like a 180-degree turn in a minute, minute and a half. Then he turns further and he says after that he is going to think about it first, about the whole concept of this.

Which answer is the correct one here? He starts out by answering my first question by saying he is going to meet with the cable companies, bring this issue up with them and resolve it, and I accept that answer. I thank him for the answer, and I am prepared to move on to the next subject. Then two minutes later, he is saying, well, no, it is the LAMC's problem. I am not going to talk to the cable companies, I will let LAMC deal with it. Then a minute after that, he says, well, I am not even sure about that anymore. I think we will think about it first.

So I would like to ask him which is the answer? Is he going to talk to them about this problem as he first promised or is he going to do one of the other two options that he is contemplating now?

Mr. Radcliffe: I want to assure my honourable colleague opposite that I will certainly be delighted to contact the cable companies and discuss the issue.

Mr. Maloway: Fine. Now, could we move on to the issue of warranties? That is a huge issue in Manitoba, provides all sorts of problems. We have widespread problems with warranties over the years where people buy products. They think with the product they have bought a warranty, a one-year, two-year, three-year warranty, and then either the company that is supplying the warranty either goes out of business and leaves people stranded and hanging or the company does not honour the intent and the spirit of the warranty. The warranty is just nothing more than a piece of paper that is really worth nothing. I would like to ask the minister: just how vigilant is he and his department in following through on warranty complaints and what sort of results are we getting?

I know that the annual report each year spells out problems with warranties, but we have not got this year's annual report yet, and he obviously knows more about this issue than we do at this point. So could he tell us what is happening?

* (1110)

Mr. Radcliffe: Mr. Chairman, in response to my honourable colleague's answer, I am not going to insult him with repeating the statistics that are in last year's annual report, because he can read those himself. I guess the one reflection that I have on my department is when the Consumers branch, when the Residential Tenancies Branch, when all the different regulatory, dispute-resolving branches of the Consumers department are doing their job and doing their job well, I get very few complaints coming up to the minister's office. In fact, on the issue of warranties, I cannot recall a single complaint in the last year coming to my office.

So I am not saying that there have not been, and our annual report, when it comes out, will show the volume of traffic in that particular area. The fact that the Consumers' Bureau is receiving the complaints, that they are mediating the disputes, that they are tending to them and either referring them to the Crown for prosecution or arbitrating them and coming to successful conclusions, leads me to the conclusion at this point that the Consumers' Bureau is doing its job.

Mr. Maloway: Mr. Chairman, I would like to ask the minister about the regulation—or lack of regulation, I guess—in the travel business, and the minister probably knows that I believe in Ontario, Quebec and, I think, B.C. they all have travel funds set up for a number of years right now. I am not certain exactly how they are working, but I understand they work reasonably well.

The reason I ask the question and bring up the issue now is that there have been recent articles in the paper about commission caps that the airlines have brought in through stages. They brought in one a year or so ago and another one more recently. So the projections are that there will be a huge shakeout with the business, with a large number of bankruptcies and people going out of business and so on, because of these commission caps and cuts. With that, of course, there is the inevitable problem with people making deposits and then the agency is not around or goes under and does not have the money and people are left stranded.

So I would like to know whether there have been any representations from the industry or by the minister to the industry dealing with that whole question of the commission caps—we have certainly had letters on the

subject of commission caps—and how it will shake out with the potential for agencies to go under, go bankrupt and leaving people perhaps stranded and losing money.

Mr. Radcliffe: I can tell my honourable colleague there has been no communication directly to me from consumers' groups nor the industry at this point in time on travel agents and caps. On a related issue there was some concern in our department on one particular corporation, I think it was called Mr. Canada's Touring Network Inc., which arranged for bus tours and then left people high and dry, and our response to that has been there has been an investigation ongoing on this matter, which is confidential at this point in time, I am told. The bureau is investigating the business practices and to ascertain whether there have been any misrepresentations made, and that, I think, is the real issue, is whether there are misrepresentations and whether it deserves the scrutiny of the Crown for prosecution.

Mr. Maloway: Mr. Chairman, in that regard, can the minister tell us then whether the police Commercial Crime division, or whatever it is called, is involved in this case as well?

Mr. Radcliffe: I do not know at this point in time whether it has gone that far or not.

Mr. Maloway: Mr. Chairman, would the minister then endeavour to contact the industry with regard to these commission cuts to try to ascertain for himself what the effects will be and whether the news reports are accurate, that they expect a large shakeout and people going out of business and bankruptcies, to find out whether that is a valid concern and is an issue in which his department perhaps should be taking a look and looking at some sort of preventative measures?

Mr. Radcliffe: Certainly, Mr. Chair, I am following the issue in the newspaper on this matter, and I do have some personal contacts in the travel industry. I am certainly prepared to discuss those matters with some well-informed individuals that I am aware and ascertain whether they see if this is an issue of concern that government should be involved with.

Mr. Maloway: Mr. Chairman, last year I asked the minister a number of questions regarding tower funding

and the whole issue of these unregulated loan brokers operating in Manitoba. I would like to get an update from him as to what is going on, or not going on, in the loan broker business these days.

Mr. Radcliffe: As a result of the discussions that we had last year with regard to this issue, I can tell my honourable colleagues that we have been very vigilant watching this matter, and it has not been an issue of concern that we have been able to deduce in Manitoba.

Mr. Chairperson: The honourable minister still has the floor.

Mr. Radcliffe: I have concluded my answer, thank you very much, Mr. Chair.

Mr. Maloway: I did want to inquire of the minister as to what was happening with the Autopac Appeals Commission. I know the annual report was submitted in the last number of weeks. I would like to know whether there is any movement on the part of the appeals board to be a little more lenient with people. We are getting increasing complaints. The minister is here, and he would know of which I speak, the minister in charge of the corporation, but there is an increasing body of opinion out here, and I think it is clear by virtue of just the sheer numbers of appeals.

I think the first year there was only maybe a very small, minuscule, number of appeals. In fact, I think people were surprised. The corporation authorities were quite shocked that there was such a minuscule number, so to be fair, they did expect that the number of appeals would increase over time. I am just wondering whether the appeals have increased at a much greater rate than they thought or whether this is what they thought, but certainly we are getting increasingly more calls about it, people concerned about the arbitrary nature of the system and the fact that they do not seem to be treated correctly.

Mr. Chairman, with that in mind, I would like the minister to elaborate on those points.

Mr. Radcliffe: Mr. Chairman, my honourable colleague is correct that there has been significant increase in appeals and cases that are being processed at the Personal Injury Protection Plan Review

Commission. I do not think that is a function necessarily of any level of policy of people being shortchanged at the lower level. I think this is an issue of the fact that we are now moving thoroughly into the no-fault process and that the issue of individuals resorting to the court system and civil litigation is now being diminished. We expect to be finished with court litigation issues perhaps sometime in the year 1999.

However, with regard to the level of reward or replacement of loss in the PIPP, I would direct my honourable colleague's attention to the legislation that is sitting before this House right now. There was a review, as my honourable colleague knows, of the MPIC report. The hands of the PIPP commission are tied in that they can only award to the limits of what the MPIC policy and the MPIC legislation and schedules and tables permit.

Now, we have had an opportunity as government to review this. This is something that requires constant updating, and our government is dedicated to that. The whole issue of level of compensation has been reviewed, and I believe my honourable colleague will be satisfied when he reviews the legislation to see that there is a significant increase in levels of compensation in some areas that required it.

* (1120)

Mr. Maloway: Mr. Chairman, you know I do appreciate that government is becoming more sensitized to that area. I mean, it may be due to the fact that 1999 is close at hand and an election is coming up, but for whatever the reasons, they do seem to be moving a little bit.

There just seem to be problems in many cases regardless of what the legislation says. How the legislation is enforced is what really kind of tells the tale. So we pass laws in this Legislature and we think that they are going to be enforced in a certain way, and sometimes the reality is a little bit different. We think we have solved the problem, and then we find out a year or two down the line from people who have actually had some experience with the system that their experiences are not what we envisioned when we passed the laws in the first place. So there is a tendency for some people to apply the laws and rules

very strictly and a tendency for a certain amount of leniency.

The impression I got was that regardless of what the levels of coverage were, that in the last three years, in the first three years of the operation of this particular new plan, in fact, they were very, very strict in how the rules were applied.

Now they are changing some of the rules. The question is how are they going to apply those new rules? Are they going to be very strict with those new rules? So it remains to be seen how this is going to take effect. I can tell you that we have been concerned and, as the minister may or may not know, he was not elected at the time when we passed this legislation, but the NDP did propose, I think, upwards of 30 amendments. One of them that we proposed was the actual review that you see before you after three years. There was no plan originally to review it in three years, but we got that through as an amendment. The government did accept it at the time that we get a three-year review.

There were other things we wanted, too. We wanted worldwide coverage or we wanted North America and Central America coverage, and the minister at the time said, well, you know, we will give you the three-year review, but we are not prepared to give you beyond North American coverage, because the argument was, you see, right now it applies only to Canada and United States. But we were saying, well, you know, with free trade and NAFTA, and so on, we should at least apply the coverage beyond territorial U.S.A. and Canada. That is something we may well do, depending on what the experience has been. The experience has certainly been very good from a financial position, because the corporation is flush with money. It has got enormous reserves right now, more than it has had before, and so the time is right to look at making some improvements.

One of the other things we suggested as late as last year, we introduced some amendments to a bill last year to have people's or claimants' advocates, and we would like that put in there. I introduced the same resolution last year, or amendment, under the flood compensation legislation similar to the worker adviser. The minister is probably aware of the concept and the

practice of the workers advisers, and we were suggesting that that approach should be applied to the Autopac appeal process so that these appellants could have an appellant adviser, I guess you would call it, right, and that we would also apply that same idea, which has worked well in the worker adviser question, over to the flood victims' cases.

Well, our argument at the time was that this would not only be good for the appellants but would be good for the government too because, if they had some advocate where the flood victim would see that there was somebody there to help them through the red tape and somebody was on their side, they would feel better about the whole process and would be less inclined to go to the press, and so on. So that would be the help to the government and the help to the individual, that they would be able to get their claims settled with less harassment, less hassle. Well, we just thought that that idea would work well here with Autopac as well.

I mean, from the government's point of view, and I am trying to think of it from their perspective, I mean, they do not need the hassle of people going to the Free Press to do stories about this issue, right? So why would they not? They have got a lot of money in the kitty right now. Why would they not consider this as a positive idea that will keep people happier and also help them and make the system less onerous for them and more user friendly?

I think that is the key. This government is trying to make the system of government more user friendly. We are trying to be helpful here and give them some ideas as to how that can be done, and we get a little disappointed at times when those ideas are not accepted. This government has shown in the past that it will accept good ideas. I recall being on CJOB a few years ago advocating a no-fault program, and, to my shock and horror, they announced one six months later. You know, that was something we never thought they would do. They have done that with business practices legislation. We never thought they would introduce that either, and they kind of surprised and shocked us by doing exactly that. So we know that you people will do these things when forced to or pressed very hard on the subject, but anyway it just seemed to me as a sensible approach.

I would like to know whether the minister has any plans to introduce that kind of worker advocate concept in this appeals process, and being a lawyer he would be quite understanding of the value of such an approach. Would he advocate for this kind of change?

Mr. Radcliffe: Mr. Chairman, I would invite my honourable colleague to look at the legislation which we are bringing in on the MPI reforms. I recall the conversation that we had with regard to this very issue, and my recollection is faulty at this point in time because it is not a matter within my personal area of responsibility. I certainly am very much in favour of what he is recommending. I believe that is an issue that is in the recommendations in the legislation for the changes to the MPI Act that we are introducing at this time, but I am subject to correction on that. I certainly understand and concur with my honourable colleague's remarks that it does focus areas of frustration, cuts red tape and enhances service to the public.

Mr. Maloway: Mr. Chairman, there are several issues at the fore right now regarding the Manitoba Securities Commission. There are certain investments being sold improperly to people, and it has been a subject of news reports this past week on CJOB, for one. I think there was an investor alert sent out in recent times, plus there is a whole question of, you know, Internet investments and a whole range of problems that are kind of emerging and developing certainly with technology and so on.

It seems that no matter how much supervision and enforcement we have, the problem never seems to go away. There is always somebody that comes up with some new curve and some new scheme to try to circumvent the rules and take money from people unwittingly. So I would like the minister to update us as to what is happening over at the Securities Commission with regard to the compliance problems that they face.

Mr. Radcliffe: Mr. Chairman, I advise my honourable colleague that we have a new chair at the Securities Commission now, Mr. Don Murray, who was formerly a litigator in the city, somebody who comes to the Securities Commission with excellent credentials. He was the vice-chair of the Securities Commission.

Regrettably, one of our leading legal counsel, Dave Cheop, has moved on from public service to investors mutual, Investors Syndicate, so we have lost a very good mind there. We are in the process now of advertising for more legal help at this point in time. One of our analysts is also moving on, and we have secured the services temporarily of some very high-priced and excellent analyst support from, I believe, Price Waterhouse.

* (1130)

With regard to public alerts, public scams, I concur with my honourable colleague that the more and as continually government or any individual tries to regulate and conform, it is like trying to grip Jell-O because the width and breadth and depth of the criminal mentality is such that it will always try to reinvent ways to fleece the public and get around the strictures that we present to try and protect innocent people.

To that end, therefore, one of the resources that we call upon is publication and education, and I am told that Doug Brown, who is one of the legal counsel, asked to go on Peter Warren on CJOB for a five-minute spot to alert the public to an investor scam that was going on. The individual, Mr. Brown, who is an employee of the Securities Commission, spent an hour with Peter Warren last week on the matter with regard to a bank investment scam.

I think my honourable colleague may be even aware that last winter a number of people were contacted through the mail with some sort of idea of a Nigerian investment, which was also equally spurious. So the Securities Commission goes to significant lengths to use whatever resources are available to them, not only to regulate the legitimate brokers—those, obviously, are not the people who cause the trouble—but to alert the public to what are the current flavours of the month of what is out there that could be harmful and deleterious.

Mr. Maloway: I would like to ask the minister a question regarding the Public Utilities Board. It really concerns whether the minister has done any studies through his Research and Planning department concerning the cost and value of the Public Utilities

Board at this point. I mean, what we see is that the Public Utilities Board does certainly a lot of good work and is involved in very extensive examinations of certain issues, but I think at the end of the day what some members of the public see out of it is they see the Public Utilities Board looking at, for example, Centra Gas rates.

What they see out of it is basically rubber-stamping in some sense the applications of Centra Gas. So you find Centra Gas—and I am using them as an example—I mean, the same is true of the Manitoba Public Insurance Corporation and others that appear before the PUB. You have enormous amounts of work and effort go into these proposals. They are constantly before the PUB. The gas company never leaves. They just get one rate increase approved, and then they are there the next day for another rate increase. It is just constant, and they seem to get these increases.

Autopac, for example, sometimes one feels that perhaps a couple of people in a room could come up with the same conclusions that it takes 100 people to come up with over at the board and without the cost. I mean, it does not take rocket science to know that, with the retained earnings in the Public Insurance Corporation right now, there will probably be a decision to reduce the premiums by 5 to 10 percent, coincidentally to take effect, as we have said all along, next March 1, which will be right in the midst of the runup to the election campaign. I mean, no surprise about that. You fill the kitty between elections, and then you blow it out in the election year.

Now, why does it take a multimillion-dollar PUB to do something like that? I mean, you have political appointees on the board. You know, in the old days they complained about the NDP setting the rates by cabinet. That was the big complaint. We took the political heat for that, we sure did, and this government learned the lesson and put it under the PUB and said, well, we will stick it over there and it will be independent. Now, it is not independent. The PUB members are appointed by this government. They are Tories through and through. The Tory ex-candidate in the Crescentwood by-election was on the board of the PUB. Now, where is this independence? There is no independence here. This is just smoke and mirrors.

So, essentially, this PUB, politically motivated board makes decisions which are in the political interest and for the political stability and longevity of this government. It is as simple as that. How many millions of dollars and how many lawyers and how many people does it take to sort through this stuff and come up with this notion that there should be a big rate reduction this year, which will end up in a huge deficit and then will go into rate spirals again the year the election is over? That is precisely what happened last time. They reduced the rates for the election; they came up with a \$50-million deficit in the retained earnings account, which meant the corporation was technically bankrupt, minus \$50 million bankrupt. When that happened, when that \$50-million deficit occurred in the last year of the NDP government, I mean, we dropped to 6 percent over an issue like that.

This government perpetrated the same thing. They were maybe a million dollars better. I mean, they missed the distinction of being the worst deficit in the corporation's history by just a hair. So it was the second largest deficit in the 20-some year history of the corporation, and it came about because of the way the government ran the corporation just prior to the last election. To fudge the situation, they changed the accounting year and they played around with it. They hid it until we exposed it in this Chamber a couple of weeks before they would have had to anyway that they would run a huge deficit. Then they turned around and that was the year right after the election, coincidental, and they started with their rate increases, building up the reserve funds. Now they have the reserve funds back up to where they are. In fact, they will be projected to be a \$30-million increase a year. They will be far in excess of what they have to be and just coincidentally at a time when the election is coming up.

So forgive me, Mr. Chairperson, if I see some political motivation here and question and people I know question the role of the PUB in all of this, because it is the PUB's role to take politics—that was the idea anyway—out of the situation, to sit back and look at this whole issue in a nonpartisan, nonpolitical way, and to make certain that there was not these rate shock situations that occur, that the corporation would be run in a smooth sort of way with neither big increases nor big decreases hitting the people. That is the reason it was supposed to have been put under the PUB in the

first place, and, yet, what we see at the end of the day is really a no different situation than they said was happening before. It is just they are being a little more sophisticated than we were in how they handle the situation.

So I would like to know whether the minister has even thought of the idea. I am sure they have, because they are interested in cost cutting, at least they are supposed to be, and I am sure they would be reviewing their value for dollar, what they are getting for value for dollar in terms of the regulatory process over at the PUB. I know that has to be in their equation somewhere along the line. So I would like to know: what is it costing and what improvements could be made in the way the PUB is structured and handled?

Mr. Radcliffe: Mr. Chair, with response to some of my honourable colleague's rhetorical comments on political expediency, I would respond with the Latin motto which is the motto to the Order of the Garter, which is *honi soit qui mal y pense*, which is translated into, evil he who evil thinks, or, handsome he who handsome does, so that I think is in fact full response to those issues.

To the substantive question that he is addressing, we are bringing in legislation this year with regard to specialist fees, advisor fees, that these then can be set by the commission and that the PUB has the authority to award costs at the hearing level. I think members of the public are always suspicious at the rate and the bottom line of when they get a legal bill or an actuary bill or an accounting bill or an engineering bill, and these are the issues that he is really addressing. The rate applications are incredibly complex. They are very detailed.

I can tell my honourable colleague that there is a decision pending right now as we speak at the Public Utilities Board. There is a decision pending right now at the PUB with regard to a significant application that Centra Gas has made resulting from some pricing deficiencies or acquisition deficiencies, I guess, that they suffered over the course of the last winter, and Centra found themselves on the wrong side of the market. So they have approached the PUB, the regulatory authority, in order to seek authority to pass

this matter on to the ratepayers, and the decision is still pending.

* (1140)

I do not want to comment on the decision itself because, quite honestly, I do not know how they are going to come down. What I do want to comment on was that I think the actual hearing ran somewhere from the middle of March until the end of April. It was a six-week hearing. It was incredibly complex. It was incredibly detailed. Mr. Gerry Forrest is the individual who is the chair of the board, and I know a number of members of the PUB who are senior members that have been sitting a long time, who have a lot of experience in utility rate applications, devoted a significant part of their life to hearing this stuff.

Centra Gas, as my honourable colleague knows, is a highly sophisticated, highly successful corporation, has the ability to contact excellent accounting and actuarial help. So, therefore, in order to cope and to be responsive and to discern the truth of what the presentation is, the PUB must resort to specialists' support as well. That is where the significant cost lies, and, quite honestly, in this day and age, one cannot command the attention and the support of professionals of this skill and nature without paying them adequately.

I have often said in these halls that a government gets what it pays for, so that if you want to be cheap and not reward your specialists properly, then you get a poor result; if you want to pay properly and pay market rates, counsel on the street right now—actually, I do not even know right now. When I left private practice, topflight legal counsel at Thompson Dorfman were charging and getting—this is the significant point—they were getting \$225 an hour, plus GST. [interjection] That is right, exactly. My honourable colleague says that he has constituents that will do it for a fraction of that, and if they had the skill and the experience and the erudition, then you know we would welcome that sort of input.

The PUB also gives the opportunity for interest groups, consumer groups, senior groups, to monitor and to intercede and make presentation so that it is a nonjudicial but highly complex, sophisticated, administrative judicial process that goes on. Am I concerned about the cost? Yes. Is the cost ultimately

borne by the consumer? Yes. Is this something that is to the best interest of the consumer? I think probably coming to educated, intelligent decisions is probably in the best interest of the consumer, and for the board to have the best of all possible specialist advice is, in the long run, in the interest of the consumer. I go back to my comment, you get what you pay for. So I think that is probably—albeit we do not like it. I get decisions delivered to me by the pound because they are so complex and detailed, but it is because of the nature of the issue.

Mr. Maloway: I would like to ask the minister regarding the Residential Tenancies Commission. I know that he dealt with it at some length in his introductory remarks, but I would like to ask him what sort of changes have occurred in the last year over at the Residential Tenancies Commission.

Mr. Radcliffe: I do not want to put words in my honourable colleague's mouth, but I think he is probably referring to the Residential Tenancies Branch. The Residential Tenancies Branch is basically what would pass as the trial level for residential tenancies issues. The commission is the appellate board, so I will address my remarks—I see a note of affirmation coming from the member opposite—to the Residential Tenancies Branch.

One of the things that is happening is that they are going on-line with orders and judgments, which I am very enthusiastic about. I think that probably will be realistically sometime in August. I have had a preliminary briefing meeting with the director of the branch on that issue, and one of the concerns, obviously, is to ensure that privacy of individuals is protected. So identifying addresses of tenants or individuals who have moved on but still resort to a dispute will be deleted from the public record on the Internet.

We believe that the service will be an advantage to both tenants and landlords because both sides can look at the history of individuals who have become involved in a dispute at the Residential Tenancies Branch and make their own conclusions. There will be no editorialization obviously, and all that the Residential Tenancies Branch will be doing is giving a facility so that the public can, in fact, review at a glance in the

toggle of a button or a mouse the nature of the proceedings that are there. So that, I think, is something that we are really excited about, that we are really looking forward to.

One of the other things which I would just share with my honourable colleague that, when I took over the chair of Consumer and Corporate Affairs, my deputy very graciously gave me a guided tour of all the departments. It was a bit of a whirlwind tour at that point in time, a bit of a roller skate, and the whole thing was a blur. But, because the Residential Tenancies Branch is such a high-profile face to the public, I made it my business to go back just to observe a couple of cases and sit in the back row. Obviously, as a minister, you cannot get away with being anonymous; nonetheless, one of the things that really impressed me very, very much when I went back to do my own personal observations and sit through a couple of cases was the quality of the hearing officers.

So the point I want to make was that in one case I sat through an order for possession hearing, and I was really enthused to see the mediatory and the conciliatory demeanour of the hearing officer to ensure that, yes, the tenant lost, the tenant got hoofed out, but to ensure that the tenant had other resources, that the imposition of the order was delayed a couple of days so that the tenant could organize their affairs in such a fashion as to get their belongings and move on, but also that the officer was assured by the tenant that the tenant had a fall-back position, that the tenant had relatives or a friend or another alternative so that they were not literally the Bob Cratchit situation of sitting on the street on your barrels and suitcases.

So that is not legislated, that is not mandated, that is just common humanity, and I am glad to report that that really does exist. There is no way that that appears in a dry annual return or a report. I do not know whether that was for my benefit. I presume I give them the benefit of the doubt that that, in fact, is general practice at the RTB.

* (1150)

Mr. Maloway: Mr. Chairman, I believe last year was the minister's first year in Estimates, and during the flood we went a total of 30 hours, I think, which was

sort of unprecedented for this department, because we had not got in the practice of going so long, but we had such a good time that the hours seemed to pass very quickly. Unfortunately, to the minister, this is not to be repeated this year, I am sorry, very sorry, but perhaps next year we could get back our 30 hours. I will do my best, but we will have to stop at what I am told is about 10 hours now and relinquish the floor to my colleague the member for Broadway (Mr. Santos) who wants to ask questions of this minister. So I think at this point we could pass the rest of the Estimates in this department. Thank you.

Mr. Radcliffe: Mr. Chair, I would like to take this opportunity of thanking my honourable colleague for the opportunity of being able to exchange these ideas and concepts. It is always helpful for the administration of the department from my perspective to be able to consider fresh new ideas and a fresh way of looking at things. I want to put on the record that it is a value to government and administration to be able to go through this exercise and it is rewarding. I can assure my honourable colleague that some of the points that he has brought up have given me real food for thought, and I am proceeding as we speak to implement some of the concepts and suggestions.

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

Item 5.1.(b)(2) Other Expenditures \$59,400—pass.

5.1.(c) Administrative Services (1) Salaries and Employee Benefits \$526,800—pass; (2) Other Expenditures \$162,400—pass; (3) Less: Recoverable from Legislative Assembly (\$181.50)—pass.

5.1.(d) Research and Planning (1) Salaries and Employee Benefits \$160,100—pass; (2) Other Expenditures \$27,200—pass.

5.1.(e) Vital Statistics Agency—zero—pass.

Item 5.2. Consumer Affairs (a) Consumers' Bureau (1) Salaries and Employee Benefits \$898,400—pass; (2) Other Expenditures \$215,100—pass.

5.2.(b) Residential Tenancies (1) Salaries and Employee Benefits \$2,604,700—pass; (2) Other Expenditures \$651,000—pass.

5.2.(c) Automobile Injury Compensation Appeals Commission (1) Salaries and Employee Benefits \$463,400—pass; (2) Other Expenditures \$134,700—pass.

5.2.(d) Grants \$87,700—pass.

Resolution 5.2: RESOLVED that there be granted to Her Majesty a sum not exceeding \$5,055,000 for Consumer and Corporate Affairs, Consumer Affairs, for the fiscal year ending the 31st day of March, 1999.

Item 5.3. Corporate Affairs (a) Insurance Branch (1) Salaries and Employee Benefits \$278,000—pass; (2) Other Expenditures \$179,600—pass.

5.3.(b) Manitoba Securities Commission (1) Salaries and Employee Benefits \$1,436,600—pass; (2) Other Expenditures \$428,300—pass.

5.3.(c) Public Utilities Board (1) Salaries and Employee Benefits \$695,500—pass; (2) Other Expenditures \$797,800—pass.

5.3.(d) Trust, Cooperatives and Credit Union Regulation (1) Salaries and Employee Benefits \$421,700—pass; (2) Other Expenditures \$100,500—pass.

5.3.(e) Property Registry—zero—pass; (f) Companies Office—zero—pass.

Resolution 5.3: RESOLVED that there be granted to Her Majesty a sum not exceeding \$4,338,000 for Consumer and Corporate Affairs, Corporate Affairs, for the fiscal year ending the 31st day March, 1999.

We will now return to the Minister's Salary and Resolution 5.1. The minister's staff has already left so we are fine with that.

1.(a) Minister's Salary \$26,300—pass.

Resolution 5.1: RESOLVED that there be granted to Her Majesty a sum not exceeding \$1,098,300 for Consumer and Corporate Affairs, Administration and Finance, for the fiscal year ending the 31st day of March, 1999.

This concludes the Department of Consumer and Corporate Affairs. We will be moving on to the Department of Seniors.

Is it the will of the committee to call it twelve o'clock? [interjection] Well, you have three minutes for his opening statement, Conrad. [interjection] No, I cannot do that. We would have to wait for the minister.

Is it the will of the committee to call it twelve o'clock? Twelve o'clock.

The hour being 12 noon, pursuant to the rules, I am interrupting the proceedings of the Committee of Supply with the understanding that the Speaker will resume the Chair at 1:30 p.m. today, and that after Routine Proceedings, the Committee of Supply will resume consideration of the Estimates of Seniors.

LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, May 28, 1998

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