



Fifth 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

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<i>Vacant</i>	St. Boniface	

LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, May 12, 1999

The House met at 1:30 p.m.

PRAYERS

ROUTINE PROCEEDINGS

PRESENTING REPORTS BY STANDING AND SPECIAL COMMITTEES

Committee of Supply

Mr. Marcel Laurendeau (Chairperson): Madam Speaker, the Committee of Supply has considered certain resolutions, directs me to report progress and asks leave to sit again.

I move, seconded by the honourable member for La Verendrye (Mr. Sveinson), that the report of the committee be received.

Motion agreed to.

MINISTERIAL STATEMENTS

Manitoba Day

Hon. Gary Filmon (Premier): Madam Speaker, I have a statement for the House with copies for members.

It is my pleasure to draw the attention of the honourable members to the fact that today is Manitoba Day. May 12 marks the 129th birthday of our province, and with the new millennium soon upon us, this is a most appropriate occasion to reflect on the achievements of Manitoba and its people.

Manitoba entered this century as a young province, the western frontier of a still-growing nation. We were brash, bold and full of promise. Our doors were open to the world as we invited men and women to come share our dream of a dynamic and prosperous community, and we still do. Just a few minutes ago, right in our beautiful Legislative Building at the heart of Canada, 38 people took the oath of citizenship and became Canada's newest citizens. We welcome them to

share in the opportunities of our communities, and we share with them the responsibility of being this province's stewards for the next generation. The citizenship ceremony reaffirms the unbridled optimism of Manitoba's early years and the courageous spirit of our aboriginal communities and of the pioneers that drove us forward with great energy into the 20th Century with a sense of pride and confidence that has never diminished.

Down through the generations, Manitobans have come together to build, to share and to dream of a better future for our children. To achieve this great legacy has meant facing great challenges from many sources: war, depression, flood, storm, drought. We have faced them all as a community, struggling side by side to preserve the legacy and enhance it for those who follow after us.

It is therefore appropriate that on Manitoba Day I also share with you the names of the people and organizations who won Prix Awards last night. Since 1988, our provincial government has honoured Manitobans who have contributed to the province in the areas of culture, heritage, recreation and multiculturalism. Yesterday's awards were presented to Bill and Shirley Loewen for their commitment and generosity towards the preservation and enrichment of Manitoba's French-Canadian and Metis heritage.

The Western Canada Aviation Museum volunteers received an award for their support of an institution that has grown into one of the largest collections of aviation history in the nation.

Sharon Reilly was honoured for her work as curator of history and technology at the Manitoba Museum of Man and Nature.

* (1335)

The Centre du patrimoine received an award. This Société historique de Saint-Boniface project ensures that a significant part of

Manitoba's history is preserved and made available to future generations through the building of a state-of-the-art archival facility. The new centre is the repository of Francophone and Metis archival material of provincial and national significance.

Finally, Jean Oscar Guiboche received a Prix Award for his promotion and preservation of the heritage of aboriginal people, the voyageurs and Manitoba explorers through education.

Madam Speaker, these people and their commitment to better our communities exemplify the spirit that helped make Canada into the greatest nation in the world. Furthermore, I consider it a great privilege to speak these words that will go down in history as the final Manitoba Day statement of the 1900s. The next time we gather to celebrate Manitoba Day, we will have hosted the 13th Pan American Games and we will be firmly in the year 2000.

I would like to close out this era by thanking all of Manitoba's families for the tremendous foundation of achievement, development, compassion and community service they have built recently and over many generations. Our province is a better place because of your continued commitment to turn visions into reality and that is a tremendous thing to celebrate on Manitoba Day. I urge all Manitobans to enter the year 2000 with renewed confidence and optimism and a commitment to ensure that Manitoba's future will always be greater than its past.

Thank you very much, Madam Speaker.

Ms. Diane McGifford (Osborne): Madam Speaker, I would like to begin by thanking the Premier for his statement and congratulate his government for continuing the tradition which New Democrats initiated when we were in government. I refer, of course, to recognizing and celebrating Manitoba Day. I was pleased to be present at the Prix Manitoba Awards, and I and my caucus certainly join the Premier in congratulating all winners.

Today, May 12, 1999, marks the 129th anniversary of our province. On May 12, 1870,

The Manitoba Act created the province of Manitoba and on May 12, 1966, Manitoba's official flag was dedicated and unfurled. Subsequently, former Premier Howard Pawley designated May 12 as Manitoba Day because this date is significant in the history of our province.

Yet today we would do well to remember our larger history, to remember that the aboriginal members of this Legislature and the aboriginal people throughout our province have at least 12,000 years of Manitoba history, of which most of us know very little. We might share in this history through formal study or perhaps by hearing aboriginal elders and joining in their celebrations. We might imaginatively recreate the past, viewing it through the mind's eye: aboriginal people at The Forks or on the buffalo hunt or on the traplines; aboriginal people hunting for food, battling the cold, fighting floods or prairie fires; Portage and Main when there were no buildings; the tall grasses on the prairies when the prairies were virgin; Riding Mountain before it was a national park.

My point is that 1870 is a construct, an artifice of sorts. We have agreed to recognize this date as important and it is important, but we should remember that it is only a marker and on the other side of that marker, there are other stories, ancient, rich, alive and full, the stories of our aboriginal peoples. We might today as well dwell on the ways in which the present can reconstruct the past and recast our history. Living in the present and with an awareness of the ways in which colonialism and racism have distorted aboriginal traditions and history, we have a duty to cut through these distortions, revisit the past and take a clearer, fairer, more honest and respectful version to our schools and universities.

We have the same duty to the ethnic groups and immigrants who have come to our province to make better lives for themselves and for their children and who, at the same time, have made a better province for all Manitobans.

Because of all our people Manitoba can boast of economic prosperity, social diversity and cultural richness. Together we have made Manitoba a fine place to live, to raise our

children and to grow old. Two years ago, the defining moment in our history was the flood of the century, an event that tied us to the past, to 1826 and to 1950 and the other years lost to the past because they were not written down but are alive in the imagination which transcends dates and places.

May 12, 1997, like May 12, 1870, is alive in the present because we know this year is two years after the flood of the century, a time when spring came early, allowing us to dare the frost and plant our flowers and vegetables before May 24. History then, our past, ties us to the present and to the future as we all wonder about next year.

* (1340)

Unfortunately for Manitobans, respect for history has not always characterized this Premier's (Mr. Filmon) administration. We regret that this government has denigrated Manitoba history by its neglect of Canadian history. First, Canadian history was removed as a required course in our high schools and then reintroduced as a pale shadow of what it should be. The hiatus in the teaching of Canadian history has meant a backward, outdated curriculum which has not kept pace with major historical events or with other jurisdictions.

Still today, as we celebrate Manitoba history, let us transcend this anomaly and remember that we are really celebrating Manitoba peoples, remembering the past, living the present and dreaming the future. We are linked through time and space, living our myths and formulating the stories which, by defining who we are, become our history.

Mr. Kevin Lamoureux (Inkster): I would seek leave just to add a few comments on this very auspicious day.

Madam Speaker: Does the honourable member for Inkster have leave?

Some Honourable Members: Leave.

Madam Speaker: Leave has been granted.

Mr. Lamoureux: It is with great pleasure that I rise today on behalf of members of the Liberal

Party to pay tribute to this very auspicious day. The United Nations for years past has said Canada is the best country in the world to live. Well, we will go one step further and say Manitoba is the best province to be in Canada.

An Honourable Member: That is a vote of confidence if I ever heard one, Kevin.

Mr. Lamoureux: Madam Speaker, it is not necessarily meant as a vote of confidence for the government. We are talking about the province which we all call home and the province in which many people would like to be able to call home. Hopefully, we will see more and more people calling the province of Manitoba home.

We make reference to our First Nations people as the people who were here first. If we take a look at Manitoba, as in all of Canada, it is something in which every year there are more and more immigrants who come to our beautiful province. It is, in essence, what has made us what we are today, whether it is individuals who have come from the Ukraine, to the more recent immigration waves that come from the Philippines, the Punjab, Asia, Poland. Our culture is so diverse, our heritage is so rich, that we should be very proud of the contributions that all members have made to our community.

At one time I was the multicultural critic for our party, and I would go out and about and meet with many of the different groups. We always talked about the importance of the many different cultures.

I was hoping to be at the citizenship swearing-in ceremony. I understand that was a little bit earlier today. I have had the opportunity to participate and, you know, it is a very humbling experience to witness individuals take their oath and their citizenship. We have so much to look forward to as Canadians but, in particular, as Manitobans, and when we see a day like today where we should appreciate what we do have, it is worthy of taking a moment of our time just to make mention of all those wonders that we have in the province of Manitoba.

* (1345)

I had discussions with members in terms of—you know, this building is a very grand, beautiful building. One of the things that I think would be an appropriate thing to do is in the Pool of the Black Star to see—and you go around the steps where we have the names of the different aboriginal reserves, I believe it is, that are along the stairs. Well, maybe what we should be doing is designating that area as a multicultural room where we can actually see contributions from the many different immigration waves to the province, much like when we have tourism, many thousands of tourists who come to our province. They come to this building because of its majestic appearance and so forth. The tour guides do a wonderful job of explaining the building—to designate the Pool of the Black Star, as we know it, Madam Speaker, as something that clearly shows Manitoba's history of immigration, I think would be a positive thing. I look to the government to give the idea some thought, that we need to do what we can in terms of promoting our culture, our heritage. We are, in fact, a very young province. It is with great pleasure, and I thank members for allowing me to pay a special tribute to today, given it being Manitoba Day. Thank you.

TABLING OF REPORTS

Hon. Jack Reimer (Minister of Housing): Madam Speaker, I would like to table the 1999-2000 Departmental Expenditures for Manitoba Housing.

Hon. Mike Radcliffe (Minister of Labour): Madam Speaker, I, too, am pleased to table Supplementary Information for Legislative Review for the Department of Labour for the year 1999-2000.

Introduction of Guests

Madam Speaker: Prior to Oral Questions, first, I would like to introduce two delegations in the Speaker's Gallery this afternoon. There is a delegation from Ukraine led by Mykhaylo Stepanov, member of the Parliament of Ukraine. This delegation is in Manitoba this week under the auspices of the Canada-Ukraine Legislative Co-operation Project, studying pensions and social policy.

Also seated in the Speaker's Gallery this afternoon we have the Honourable Judy Bradley, Minister of Highways and Transportation from Saskatchewan.

Also, seated in the public gallery this afternoon, we have 16 visitors from Red River College Language Training Centre under the direction of Mr. Tom Eischen. This school is located in the constituency of the honourable member for Broadway (Mr. Santos).

On behalf of all honourable members, I welcome you this afternoon.

ORAL QUESTION PERIOD

Child Development Clinic Physician Resources

Mr. Gary Doer (Leader of the Opposition): Madam Speaker, the Child Development Clinic located at the Children's Hospital is responsible for assessment and diagnosis for preschool kids. It deals with autism, fetal alcohol syndrome, development delays and other absolutely valuable services for kids before they go to school.

There is a six- to eight-month delay at that centre, and the doctor situation is very serious. I would like to ask the Premier: what impact is the existing doctor situation at that centre going to have on an already existing delay for our preschool kids?

Hon. Eric Stefanson (Minister of Health): To address that very issue, additional resources were provided starting last year. I think, as the member opposite knows, the Winnipeg Hospital Authority received some \$385,000 to provide for five and a half additional speech therapists, additional audiologist and additional support. As well, there has been an additional \$950,000 provided to our regional health authorities right across Manitoba, to all of the regional health authorities, again to address this very important issue of providing the services necessary to bring those waiting lists down.

* (1350)

Mr. Doer: The minister did not answer the question. I asked specifically about the doctors

at the centre. As we understand it from the information we have received from parents, there are two and a half doctors at that centre. One doctor is on sick leave; another doctor has given notice a number of months ago that they are leaving in June. The waiting lists are already six to eight months for those preschool kids, and there is a decision that has been made not to replace the doctor that is leaving in June. I would like to ask the minister: why has that decision been made? Why are there not funds to support that centre, and what will the impact be on families and children that need those services?

Mr. Stefanson: Madam Speaker, the funds are there to support that centre, and I have just outlined for the member opposite that the funds were enhanced last year, in 1998, with an additional \$385,000 in the case of the Winnipeg Hospital Authority, throughout the rest of Manitoba an additional \$950,000 for all of the regional health authorities to address those very important issues of reducing waiting lists for pediatric speech therapy services. So, again, additional resources have been provided to address that very important issue.

Mr. Doer: Madam Speaker, Anne Gajerski-Cauley and her son Cedric visited us today with a petition signed by 180 parents—and I will table this for the minister—who are concerned that losing the doctors will lengthen the waiting list dramatically. They want to ensure that adequate funding is there so the full-time doctor can be replaced for the kids that need those services.

Madam Speaker, the WHA is one funding authority; the university is another funding authority. Whoever has made that decision has basically determined that the doctor will not be replaced. Will this minister take action and make sure that an already too long waiting list will not be lengthened any further with inadequate resources to hire doctors for these kids?

Mr. Stefanson: Madam Speaker, again, I can only point out to the Leader of the Opposition that not only was the existing funding maintained, the funding was also enhanced by an additional \$385,000 in the case of the Winnipeg region alone. I am certainly prepared to look

into the specific issue that he is referring to in terms of the individual doctor and the whole issue of the retention or recruitment, but certainly the financial resources have not only been maintained, in fact they have been enhanced. I am sure that is one of the many reasons why they chose to support and endorse our 1999 budget.

* (1355)

Health Sciences Centre Operating Room Closures

Mr. Dave Chomiak (Kildonan): Madam Speaker, again another re-election regurgitation announcement of this government leading up to the provincial election. The government made an announcement today, and I think it was entirely appropriate that a doctor stood up at this announcement and said: Well, Mr. Minister, finally it is fine and dandy that you are trying to start to do something in health care, but what are you going to do about the fact that the Health Sciences Centre is considering closing 50 percent of the operating rooms over the summer because of a shortage of nurses and the fact that the doctors do not want to stay around if they cannot get operating time? I wonder if the minister might respond to that.

Hon. Eric Stefanson (Minister of Health): Well, I thank the member for the question and he rolled in many different elements, because he did join me this morning over at St. Boniface Research Centre for an announcement of some \$29 million to increase access to diagnostic services and medical services for all Manitobans. A major part of that announcement was an additional \$1.5 million to bring down waiting lists for MRI diagnostic tests. We have seen significant reductions in our diagnostic testing waiting times, Madam Speaker, whether it has been CT scans, ultrasounds or other areas. I am certainly pleased that he was able to join us for that very important announcement.

He has asked this question before about HSC. I want to remind him that when it comes to adult and pediatric operating room data for inpatient surgery, this last year alone services for adults were up by about 2 percent, pediatrics

were up by 7 percent. Projections from the WHA are that the volumes will continue to grow again in 1999.

As we have discussed, there is a need for some intensive care nurses. We have some 15 graduating this October through our program here in Manitoba. We certainly expect that the majority of them will remain in Manitoba. We are doing everything to be sure that is the case, that they will remain here to continue to fill the vacancies that are in our system. We have indicated on many occasions that we are dedicated to bringing more nurses into our health care system. We have a number of initiatives in place to do just that.

Mr. Chomiak: Madam Speaker, can the minister explain something that was told to me by a senior physician, a world-renowned physician in Manitoba whom I talked to who said the reason the doctors are leaving is because of the uncertainty of conditions in this province? Can he answer for me what that doctor asked him today, at what was supposed to be a regurgitation of another good-news announcement, why doctors are leaving this province because they do not trust this government, because operating time is going down because they cannot—

Madam Speaker: Order, please. The question has been put.

Mr. Stefanson: The member is dead wrong, and he heard from a doctor this morning at the announcement that he was at who spoke—and he is obviously a professional in the whole area of diagnostic servicing—very clearly to the significant reduction in waiting times for Manitobans when it comes to a number of tests right across our province, whether it be CT scans, ultrasounds or whatever other tests. Again, with the additional resources that were announced today, those waiting lists for MRI testing will continue to go down, and that is a part of the additional resources that we continue to direct in those very important areas.

I have also indicated to him very clearly, when you look at the operations for adults and for children in terms of inpatient surgery in our health care system in the city of Winnipeg, those

volumes are going up, Madam Speaker. We are doing more and more services for the citizens of Manitoba. They were up by some 2 percent for adults, up by some 7 percent for children, and the projections from the WHA are that those volumes will be up again. That is in large part because of the resources being dedicated to provide the technology, to provide the support services and so on.

We do acknowledge we need more nurses. We have said that provinces right across Canada—it is not unique to our province. We have a number of initiatives in place which this party across, I gather, is supporting because they endorsed our 1999 budget that includes a number of initiatives to bring more nurses into our health care system in Manitoba.

* (1400)

Physician Resources Recruitment/Retention Strategy

Mr. Dave Chomiak (Kildonan): Madam Speaker, can this Minister of Health, whose government did not recognize waiting lists two years ago when we had a waiting-list line and only now is recognizing in an election, explain why we have lost the best pathologists in the country, why we are losing one of the best-trained plastic surgeons in the country, why one of the best pediatric neurologists is leaving this province because they do not have faith and trust in this government's ability to plan—

Madam Speaker: Order, please. The question has been put.

Hon. Eric Stefanson (Minister of Health): Absolutely, positively not true, Madam Speaker. They do have confidence and trust in this government for a number of reasons in terms of what we have done with the finances by living within our means, by paying down the debt, by having the resources to dedicate to health care where 35.5 percent of all of our spending goes to health care. This budget alone, which those members are supporting, increases health care by \$194 million or some 10 percent, up to \$2.1 billion. Again, the resources are being dedicated to continue to recruit, maintain and retain our very important health care

professionals, whether it be our nurses or whether it be doctors in a number of specialty areas.

Election Call Premier's Conditions

Mr. Kevin Lamoureux (Inkster): Madam Speaker, my question is for the Premier. Yesterday, and no doubt in other places in the halls of the Legislature, the Premier has been indicating that there are all sorts of conditions that he wants to see dealt with prior to this government calling the election. He cited, I understand, CUPE; he cited the nurses' vote. My question to the—

Some Honourable Members: Oh, oh.

Madam Speaker: Order, please. I am having difficulty hearing the question being posed.

Mr. Lamoureux: My question to the Premier: can the Premier indicate for the record inside the Chamber as to what conditions he is expecting to see passed or put into place that would allow the Premier in fact to call the election come Tuesday?

Hon. Gary Filmon (Premier): Madam Speaker, I find it fascinating that the member opposite and his Leader are portraying this tremendous sense of confidence about their future possibilities for election when they have, I think, about 20 candidates nominated to date out of 57, and two of the ones that they previously announced are talking to our party about running for us, so I just suggest to him that, as in anything, there is a whole variety of issues that have to be looked at. I am consulting with many people, listening to many people, and having a variety of different discussions that will assist in making a decision.

I will say, of course, that now that we have a consensus government here in the province and that we have a vote of confidence from the official opposition, obviously certain things are not nearly as crucial or as urgent. Obviously, the public will know with great confidence that there is a great commitment to working together in this House.

But I suggest, Madam Speaker, that is a matter not for the discussion of this House. Obviously, these are things that are left ultimately to the government to decide, and we take that responsibility very seriously. I am sure that in the course of the next while, he will get more and more information about this.

Mr. Lamoureux: Madam Speaker, I guess I look to the Premier and ask him the question in terms of does he not agree the comments that have been attributed to the Premier are in fact of significant importance to all Manitobans when he says that he wants to see the nurses' issue resolved, he wants to see the other health care unions resolved. Is he just saying that in the hallway, or is he quite sincere that if in fact they are not resolved, and that is the question, then there is not going to be an election call?

Mr. Filmon: I would be happy to repeat those statements here, Madam Speaker. I do not want to contemplate a situation in which the patients of this province are put at some risk as a result of a decision that I or my government takes. So, certainly, those are areas that are weighing on my mind as I weigh the decision.

Mr. Lamoureux: Then I wonder if the Premier can indicate, in making his decision, does he believe, if there is no election call this Tuesday, that in fact then we are looking at a fall election, that we are not going to be going any further than that.

Mr. Filmon: Madam Speaker, if I can help the member for Inkster with his vacation planning, I would like to tell him that—

Madam Speaker: Order, please.

Point of Order

Mr. Lamoureux: Madam Speaker, the Premier is definitely imputing motives. In Beauséne's and in our rules, the Premier should not be imputing motives. I wish I could only have half the number of holidays the Premier has, quite frankly. But having said that, I think Manitobans want to know: are we going to have a spring election with Filmon, or are we going to have a fall election with Mr. Manness? What is the scoop? I think Manitobans are interested in knowing that.

Madam Speaker: Order, please. The honourable member for Inkster definitely did not have a point of order.

* * *

Mr. Filmon: Madam Speaker, I have I think indicated that election dates have rarely, if ever, been set for July and August, and with the very busy summer schedule here that I suggested to the media, I guess, yesterday that if it were not called in the next week or so, September would be the earliest time that an election could be called. That was just a matter of being as open as I possibly could with the people of Manitoba.

So, if the member wants to have further input to the discussion, I would be happy to sit down with him at some point and find out what his views are on the matter.

Grain Transportation Freight Costs Review

Ms. Rosann Wowchuk (Swan River): Madam Speaker, this morning federal Minister Collette was in Winnipeg to announce that Arthur Kruger would be the facilitator to further the process of rail grain transport reform based on the Estey report. We were, however, disappointed that the federal minister did not agree to a freight grain rate cap review as has been called for by all organized farm organizations. If we are going to have a fair review in process, we must have base rate-line information.

I would like to ask the Minister of Highways and Transportation if he will show leadership today, and given that the federal minister will not call for this review, will he set up a process for a review of the rail line rate costs to ensure that Manitoba producers have the information that they need for this process to take place.

Hon. Darren Praznik (Minister of Highways and Transportation): Madam Speaker, the member for Swan River and I believe the member for Dauphin (Mr. Struthers) joined us this morning along with my colleague from Saskatchewan, the Honourable Judy Bradley, who was here for the same meeting and announcement.

One of the points that was made very strongly by the federal minister today—which I take some hope in because I think we do share the same principle at least—is that if you are going to do a review of grain transportation and ensure that the No. 1 objective here, which is to have efficiencies that go back into the pockets of farmers across western Canada, you have to know your base and you have to have some method of ensuring that that happens. Whether that be for the method called for by several farm organizations or the member opposite or another vehicle remains yet, I think, to be decided.

But I can tell the member that part of the discussions we will have and the input that I welcome today in the process for putting some meat on the bones around the Estey report, Manitoba of course will be looking to ensure that there is a proper accounting system included in that.

* (1410)

Ms. Wowchuk: Madam Speaker, given that the efficiencies have not been passed on to producers and it has been proven that the railways have gained up to \$200 million annually, will the minister indicate more clearly whether he will facilitate the process so that we can have clear base-line numbers to start this process so that the returns can actually go back to the producers and not to the railways or to other groups but to the farmers in this province?

Madam Speaker: Order, please. The question has been put.

Mr. Praznik: Madam Speaker, I welcome very much the comments of the member for Swan River where I think she has clearly acknowledged that the status quo in grain transportation has not been productive to the farmers. As was referred to this morning by many producer groups, the system, the current status quo system has failed, shut down in 1997 and was not adequate, so that there is an acknowledgement.

I welcome the New Democrats joining with us and the work of my predecessor in ensuring change. I can tell her that the point she makes about ensuring that this process results in savings to farmers is critically important to Manitoba, and that position will be advanced.

Ms. Wowchuk: Madam Speaker, then I would like to ask the government if they make the same commitment to ensure that in this process the powers of the Canadian Wheat Board are not undermined, as is being recommended in the Estey report. Will this government make a commitment that they will take the position that the Wheat Board must remain a strong tool for Manitoba farmers as farmers have asked for?

Mr. Praznik: Madam Speaker, the member and I sat through the same presentation this morning and a host of organizations, producer organizations, were present and made comments, and generally speaking there was an acceptance of the principles around Estey. Part of the whole issue that has to be developed, of course—and it is regrettable, it is really regrettable that the New Democrats have jumped to conclusions about this process. What has been announced and what the governments of Saskatchewan, Manitoba and Alberta had called for was exactly what is happening this morning, is a process to flesh out the details, put some meat on the bone so that we can see exactly how this process would work before we judge it.

I would hope the member for Swan River might do something unique for New Democrats and that is keep an open mind on this process.

Aboriginal Health Strategy Development

Mr. Oscar Lathlin (The Pas): Madam Speaker, I have some questions for the Minister of Health.

For some time now, I have been raising concerns here in the House for the need of the government to reconcile the state of aboriginal health, which is still largely in a treatment mode on the state of health for nonaboriginals which has pretty well evolved to the prevention and awareness mode, in order that a more appropriate health care can be devised, one that would accommodate aboriginal people no matter where they live in this province.

I would like to ask the minister if he has a plan that would accommodate and achieve what I have just described.

Hon. Eric Stefanson (Minister of Health): Well, Madam Speaker, we have certainly been continuing to work on an aboriginal health strategy. I have had an opportunity to review many elements of that. It obviously is something that requires the co-operation of a number of individuals and organizations, certainly the aboriginal community itself, obviously the federal government because of their responsibilities in the case of First Nations people on reserves and so on. But again, there are various elements of that strategy that I certainly will be prepared to share with my colleague opposite and others very shortly.

Nursing Shortage Northern Manitoba

Mr. Oscar Lathlin (The Pas): My other question to the same minister, Madam Speaker, is that I would like the minister to advise this House as to what he has done so far to resolve the critical nursing shortage in northern Manitoba's northern nursing stations which serve largely aboriginal people.

Hon. Eric Stefanson (Minister of Health): Again, Madam Speaker—and it really is unfortunate, in many respects, that we do end up with jurisdictional issues between the two levels of government. I certainly hope we can get to the point where that is no longer the case when it comes to meeting the health care needs of Manitobans, all Manitobans, and certainly First Nations people on reserves.

In terms of the issue that he raises, that issue has been raised by some reserves as a critical issue, as an important issue, and we are certainly working with the federal government to resolve that issue.

Mr. Lathlin: My last question, Madam Speaker, is to the same minister.

Perhaps then he would like to tell this House if he will use some of that \$7-million nursing recruitment and retention fund that he originally announced to address this very serious nursing shortage in northern nursing stations that service First Nations.

Mr. Stefanson: Well, I thank the member for the question, and I am certainly prepared to look

very seriously at that, Madam Speaker. The whole objective of that fund is to bring more nurses into our system, to keep more nurses in our system, whether it is on reserve or anywhere else in Manitoba. I am certainly prepared to look at utilizing that fund to also assist in that area in terms of providing the required nursing services on reserves throughout Manitoba.

Education System Basic French Program Enrollment

Ms. Jean Friesen (Wolseley): Madame la présidente, je voudrais poser une question au ministre de l'Éducation statistiques de—j'attends le ministre, Madame.

Madame la présidente, je peux la poser en anglais aussi, s'il le préfère.

Madame la présidente, les statistiques du Bureau de l'éducation française nous indiquent qu'il y a un déclin des inscriptions d'élèves aux cours de français de base de presque 20 pour cent. Je voudrais demander au ministre de l'Éducation s'il pense que c'est une vraie politique éducative pour la prochaine génération de Manitobains.

[Translation]

Madam Speaker, I would like to ask a question of the Minister of Education. The statistics of—I am waiting for the minister, Madam.

Madam Speaker, I can also ask it in English if he prefers.

Madam Speaker, the statistics of the Bureau de l'éducation française indicate to us that student enrollment in basic French courses has declined by almost 20 percent. I would like to ask the Minister of Education if he believes that this is a true educational policy for the next generation of Manitobans.

Hon. James McCrae (Minister of Education and Training): As I hear through the translation, Madam Speaker, I think that the honourable member's question does call for an opinion from me, and sometimes I wonder if the

honourable member wants my opinions, because they are not always ones that she shares, in any event. But I am pleased to preside over a department that has made significant strides in recent years in partnership with the Franco-Manitoban community to increase emphasis and programming in the areas of French language education at all levels.

Ms. Friesen: Madam Speaker, then would the minister confirm that enrollment in the basic French courses rose steadily during the 1980s and that it began its decline in 1989 and registered its steepest decline after the introduction of the New Directions curriculum document with its much more rigid timetabling? That is the cause of it.

Would the minister confirm that?

Mr. McCrae: I certainly do not accept that. Children of whichever language group in Manitoba have to make their way in the Canada of the future and the Manitoba of the future, and parents of Francophone children as well as Anglophone children are extremely interested in knowing that their children are attending schools where there are standards, something that may be somewhat foreign to the honourable members opposite and something for which their support is questionable.

But, Madam Speaker, I am telling you that the future depends on an education system today that has within it standards and something that shows us that we are meeting those standards. Whether you are getting an education in French or in English, you still have a real world to work in, in the future, and to live in and to share with our fellow citizens. I think that is something that the support of honourable members opposite for having standards in our system is very questionable indeed.

* (1420)

Ms. Friesen: Madam Speaker, would the minister tell the House what plans he has to deal with the situation where we have 20 percent fewer students across Manitoba taking basic French courses, important in a new global economy? This was drawn to the attention of his

department over a year ago. Will he tell us what plans he has?

Mr. McCrae: One way to ensure declining interest in French language education is to ensure that there are no standards, which seems to be something that is supported by honourable members opposite, Madam Speaker. We stand for having standards, and we stand for achieving those standards, whether it be in the French language or the English language of instruction in Manitoba. Honourable members opposite's questions demonstrate clearly they do not support standards in education. We clearly disagree on that point.

Physician Resources Female Practitioners

Ms. Diane McGifford (Osborne): Madam Speaker, today we heard about doctors who say that they have no reason to stay in Manitoba. This is not news to us. We already know this. As well, studies tell us that female physicians have particular problems in establishing their practices, and there is a particular problem in the recruitment and training of female physicians. At the same time, Manitoba is suffering from a serious scarcity of female doctors, and of course most women want female doctors. So my question for the Minister of Health is—

Madam Speaker: Order, please. Would the honourable member please pose her question now.

Ms. McGifford: Yes, Madam Speaker. To the Minister of Health: is it not about time that someone actually sat down and read the physician resource plan developed by Manitoba Health and by Manitoba physicians and actually addressed the issues of recruitment and retention and followed the advice offered in this document on recruiting and training, particularly of female physicians?

Hon. Eric Stefanson (Minister of Health): First of all, Madam Speaker, the number of physicians in Manitoba has remained quite stable over the last 10 years at just over 2,000, so to try and portray that we are losing physicians and that we have a major physician retention and recruitment problem is absolutely wrong.

I have certainly had the chance to meet with a number of the organizations, the organization for family physicians, the organizations representing various doctors and so on, and again we continue to look at all kinds of initiatives to retain as many of our graduates as possible, certainly from our Faculty of Medicine, to continue to retain as many as we can. I have been provided information that the majority of this year's graduating class has one example of anesthetists choosing to stay in Manitoba. So again, we continue to focus on doing just that, being sure that we keep a good number of the people graduating from our Faculty of Medicine to provide the services here in the province of Manitoba.

Ms. McGifford: Madam Speaker, I asked the minister to address the question of the training and retention of female physicians for Manitoba women who want female physicians. He has not answered the question, not even begun to answer the question.

Mr. Stefanson: I believe there are more female physicians than ever before in the province of Manitoba. Certainly keeping physicians in total, male or female, is something that is very important. Those people who come through our educational facilities, who come through our Faculty of Medicine, I believe it is incumbent and important for all of us to keep as many of those graduates here in our province of Manitoba. I believe fundamentally the majority of them want to stay in the province of Manitoba.

I have also had a chance to meet with organizations representing family physicians. We have had an opportunity as a government to address a number of the issues that are very important to women and to women who are family practitioners. We will continue to do just that to make sure that the Faculty of Medicine continues to be a very positive career opportunity for both men and women in the province of Manitoba.

Ms. McGifford: I guess the minister simply does not have a plan.

Madam Speaker: Order, please. The honourable member for Osborne was recognized for a final supplementary question.

Ms. McGifford: Thank you, Madam Speaker. I would like to ask the Minister of Health: given recent statements in the journal Health Policy, and specifically in the article Can Women Change the Health Care Agenda?, I would like to ask the minister if he can make a commitment to this House today to train not only more specialists but also more female specialists to ensure that there are female specialists and specialists in this province. We know we have no—

Madam Speaker: Order, please. The question has been put.

Mr. Stefanson: Madam Speaker, again, I repeat for the member, we certainly are focused very much on retaining the majority of our graduates through our Faculty of Medicine. We have more female medical practitioners in our province than we have ever had in history. It certainly is an excellent career opportunity for both men and women. I have met with family physicians; I have met with female physicians. We continue to address a number of the issues that are of concern to them, whether it be issues dealing with women's health care issues or whether it is with the whole issue of how we compensate our doctors through our tariffs and through our fees.

Again, we have been listening to family practitioners, we have been listening to female family practitioners as to what are the things that we can continue to do to make practising medicine here in the province of Manitoba a very positive and rewarding experience for them.

Seniors Housing Tenant Associations

Ms. Marianne Cerilli (Radisson): Madam Speaker, I visited the other day a tenants association from the seniors public housing at 101 Marion Street. They raised concerns with me about everything from the lack of supports for seniors living there to the fact that they are paying twice for hydro, they have had rent increases, there is a lack of maintenance including basic things like wheelchair accessibility for the main floor washrooms.

I want to ask the Minister of Housing why this tenant association and its president, who have been organizing more than 25 events for

seniors, once the tenants organization started asking questions about the management of public housing, they have been told to close shop and have been audited, shutting down all of the services that they provide for seniors.

Hon. Jack Reimer (Minister of Housing): Madam Speaker, one of the great pluses in regard to the Housing portfolio is the fact of working with tenants associations, and I encourage tenants associations to be formed in all of my tenants buildings. The idea behind the tenants association is to have this type of dialogue. It is to bring forth concerns and expressions of concern and change that they feel are necessary in their complex or in their building that they are living in.

As to 101 Marion, if there are specific problems that the member is aware of, I am certainly willing to look at them and try to address them in the best interests of the tenants of that complex, Madam Speaker.

* (1430)

Ms. Cerilli: Madam Speaker, the tenants association that has been operating there has raised these concerns with the government. I want to ask the government why is it when they start asking questions about their management, that the president is apparently evicted or the percentage of seniors for eviction [inaudible] have your deputy minister hand delivering a letter to the president of the tenants association. Is this what your deputy minister does?

Mr. Reimer: Madam Speaker, not taking into consideration the various accusations that the member has brought forth, I would have to look into the specifics, whether this individual is leaving on his own or he or she has been terminated for cause. I am not totally familiar with the case in regard to the one individual as regards his or her termination at this building.

I certainly will look into it for the member for Radisson and report back to her.

Venture Capital Funds Board Nominees

Mr. Tim Sale (Crescentwood): Madam Speaker, the Vision Capital Fund and Manitoba

Capital Fund blew through over \$10 million in losses due to bankruptcies in companies they were funding in the last 12 or 14 months.

I wonder if the Minister of Industry, Trade and Tourism can tell the House today who his nominees are on the boards of those two capital corporations to represent the interests of the public sector in the province and the funds that have been given those corporations.

Hon. Mervin Tweed (Minister of Industry, Trade and Tourism): Madam Speaker, I would just like to inform the member opposite that in '94 the task force identified the need in Manitoba for risk capital, and the companies and corporations such as Vision and Venture were brought in.

I would be more than happy to provide the answers for the member in Estimates, which we will be going to soon.

Mr. Sale: Madam Speaker, will the minister who apparently does not even know who is safeguarding the province's interest in these funds, the people who are presiding over which have lost about \$10 million in the last 14 months, will he tell the House what instructions have been given to the representatives of the province on this board to stop the losses that have been taking place of Manitobans' money in the unprofitable bankrupt companies that have gone belly-up in the last 14 months?

Mr. Tweed: Madam Speaker, collectively the four provincial government-sponsored risk capital pools, Vision, Crocus, Manitoba Capital and ENSIS, have invested more than \$100 million in Manitoba-based, small- and medium-sized businesses. Just a point on that is that the reason and the benefits of this is that in jobs the return is over 23 percent, sales increased by 31 percent, so we see it as a good investment for all Manitobans.

Again, I would be happy to elaborate further in Estimates in the near future.

Madam Speaker: Time for Oral Questions has expired.

Speaker's Ruling

Madam Speaker: I have a ruling for the House.

On April 22, 1999, the honourable member for Sturgeon Creek (Mr. McAlpine) raised a point of order about the honourable member for Transcona (Mr. Reid) not directing his comments through the Chair during debate of Bill 17.

Having read the Hansard transcript, it is evident that the honourable member for Sturgeon Creek did have a point of order. The honourable member for Transcona repeatedly addressed his comments directly to the honourable Minister of Culture, Heritage and Citizenship (Mrs. Vodrey) rather than directing his comments through the Chair.

MEMBERS' STATEMENTS

55-Plus Games

Mr. Denis Rocan (Gladstone): It gives me great pleasure to announce that the Manitoba Public Insurance-Manitoba Society of Seniors 55 Plus Games will be held in Carman on June 15, 16 and 17. These games are very important to many seniors in Manitoba. They look forward to the friendly competition and the opportunity to socialize with seniors from across our province. In order to reach these finals, seniors must first compete in regional play-downs, with the top four winners going on to the provincial games. Last year over 1,000 seniors attended the games in Gimli.

Carman, this year's host community, has been busy organizing and planning this event for many months. The hosting of these games involves the whole community and Carman has certainly met this challenge with great enthusiasm. It does not matter whether you are one of the competitors or an enthusiastic cheerleader, you are sure to have a great time. The welcome mat is out and I know that everyone who comes to Carman this June or any time will receive a warm welcome and enjoy their friendly hospitality.

OCN Graduates

Mr. Oscar Lathlin (The Pas): Madam Speaker, I am proud to rise today to share, with you and the Assembly, experiences I had attending graduation ceremonies in Vancouver,

British Columbia, on May 3, and on May 7 in Calgary, Alberta. In Vancouver, I was proud to witness the convocation of Reverends Hagar Head and Lydia Constant with degrees in the Master of Divinity program.

In Calgary, I was privileged to attend Charles Jebb's graduation from the City of Calgary Police Service training program. Indeed, I felt moved and extremely proud to see Mr. Jebb marching with the rest of the troop.

All three graduates are members of OCN, and I am sure that all of OCN is proud as I am of the accomplishments of these individuals. Job well done, Hagar, Lydia and Charles. Thank you.

Driver Education Program

Mr. Jack Penner (Emerson): Madam Speaker, it gives me a great deal of pleasure to indicate to the House today that the Manitoba Public Insurance Corporation will undertake two important new initiatives that will enhance our efforts to create a new generation of roadwise Manitobans.

First of all, fees for the highly successful High School Driver Education Program will be cut in half from \$100 to \$50. The driver education program is a wonderful program that teaches young people how to be safe and responsible drivers. It aims to create a positive driving attitude amongst young people, and in producing safe drivers, this program ultimately benefits all Manitobans. By cutting rates in half beginning of September, MPI believes that enrollment will rise to 15,000 students by the year of 2004.

MPI will also be introducing a roadwise children's traffic club starting in the fall. The program will be taught to 18,000 children in 572 days starting in September. This program will teach young Manitobans to recognize potential road hazards and instill safety habits in them at an early age. This is a joint initiative between Manitoba Public Insurance Corporation and the government's Department of Education and will comprise several modules: safety awareness, road and vehicle dangers, bus ridership and personal safety.

As an MPI board member, I am very proud that we are reducing the cost for our young people to participate in the driver education program and increase their driving skills. It is my belief that this program has demonstrated its effectiveness in ensuring that young Manitobans can be trained to be safe drivers and therefore save the general public a huge impact on the driver costs and repairing. I believe that it is never too late to train young people and to ensure that their driving habits will be sustained and enhanced over the years.

West Broadway Community Cleanup

Ms. Jean Friesen (Wolseley): I would like to ask all members of this House to join me in congratulating the residents of part of my community, West Broadway, for the very successful annual community cleanup that they held on May 1.

Madam Speaker, two weekends ago the West Broadway community swept, cleaned up the debris of a long winter, brushed the sidewalks, cleaned up the back lanes, removed all the excess material from the large garbage cans. It is a community initiative which is very well supported and organized by businesses, by the community police, and it is one that contributes certainly to the safety of the community through the rest of the year.

I particularly want to congratulate the students from Gordon Bell High School who did a lot of the back-breaking work on the day before the Saturday, on the Friday afternoon, and to congratulate the West Broadway Neighbourhood Centre and the people who organized this, as well as the residents and indeed people from outside the community, friends of West Broadway, who came to help in this regular and now much-looked-forward-to community event. Thank you.

An Honourable Member: Go ahead.

Madam Speaker: Order, please. Today is Wednesday. The rotation is two government, three official opposition.

* (1440)

Urban Aboriginal Strategy

Mr. George Hickes (Point Douglas): I just want to put a few comments on record, because I was on a radio program yesterday pertaining to the so-called urban aboriginal strategy that was announced. From the response of most of the panel that were there, there was a lot of disappointment. I would like to make my comments on record that I believe that this is just an election gimmick, election ploy by this desperate government, trying to get by the window of an election because every year—I have been here since 1990—I have been asking this government for an urban aboriginal strategy and just prior to an election this government announces more study, more consultation.

On that panel was the president of the Manitoba Metis Federation, David Chartrand, who says no, we were not consulted; we were only asked to make a presentation, not as a true partnership. Also, the Assembly of Manitoba Chiefs—a representative was there—stated exactly the same thing. That is what I suspected all along, that the true leaders of the aboriginal community that are elected by their membership—just like every member in here is elected by our constituents to be the voice of the people who elected us. We do not get 100 percent of the votes, but we are the voice of the people who elected us to bring their issues forward.

The government should have had the decency and the respect of the elected aboriginal leadership to go and meet with the leadership and say please, we are trying to develop an urban aboriginal strategy, please go to your membership and talk to the membership and get your membership involved because we respect you as a leader, we want your true input, instead of going out and saying we are developing a true aboriginal strategy, when it is only to get by the election window.

If the government was serious, they would not have cut funding to friendship centres, BUNTEP, Access, New Careers, the northern fishers' subsidy, northern highways and no abandonment of the inner city housing programs, the emergency home repair programs. If the government was serious, they would have

rectified those and put the funding back in first, then develop a true aboriginal strategy with aboriginal people. Thank you, Madam Speaker.

ORDERS OF THE DAY

Hon. Darren Praznik (Government House Leader): Madam Speaker, I would ask if you could call for second reading Bill 23. I do not think this will take more than a few moments to do, after which we will be going into Committee of Supply to consider Estimates. I will then move the motion.

SECOND READINGS

Bill 23—The Order of Manitoba Act

Hon. Gary Filmon (Premier): Madam Speaker, I move, seconded by the honourable Minister of Environment (Mrs. McIntosh), that Bill 23, The Order of Manitoba Act; Loi sur l'Ordre du Manitoba, be now read a second time and be referred to a committee of this House.

Motion presented.

Mr. Filmon: Madam Speaker, on Manitoba Day I am pleased to be able to present for the consideration of the House Bill 23, The Order of Manitoba Act. Throughout the history of the province we have taken the time to recognize those within our society who have nurtured and laid the foundation for our communities, provided the necessary leadership in order to stimulate economic activity and enhance our quality of life.

In 1957, the Order of the Buffalo Hunt was established by the Campbell administration. It has been symbolic of our province's recognition for excellence in achievement within our society. At times it was used for ceremonial and promotion purposes. However, over the course of the last 10 years we have insured that the high standards on which the Order of the Buffalo Hunt was designed have been maintained in selecting recipients.

Madam Speaker, Bill 23 builds on these strengths and establishes in legislation an order comparable in intent to the Order of Canada and the six other provincial orders which already

exist. The objective of the Order of Manitoba is to recognize through the establishment of a formal honour individuals who have demonstrated excellence and achievement in any field of endeavour benefiting in an outstanding manner the social, cultural, or economic well being of Manitoba and its residents.

With the establishment of the Order of Manitoba we are joining six other provinces who have moved to formalize the recognition they give their citizens. The Order of Manitoba will be in the official list of Canadian honours.

As the Lieutenant Governor stated in the Speech from the Throne, he has accepted the position of Chancellor of the Order. Appointment to the order will be based on submissions made to the Order of Manitoba Advisory Council. Membership on this council will see members automatically appointed by virtue of their office, namely, the Chief Justice of Manitoba, the Clerk of the Executive Council, and the President of the University of Manitoba, Brandon University, or the University of Winnipeg, each serving for a term of two years on a rotating basis in the order that they are listed. Four additional appointments of prominent Manitobans will complete the composition of the advisory council. The advisory council will recommend appointees to the chancellor for induction.

Madam Speaker, as we developed as a province we modified and enhanced our practices and traditions, always remembering the past and looking to the future with confidence and conviction. Through the establishment of the Order of Manitoba we will recognize those who helped build our province and contributed to the strength of our society. We should look at this order as another symbol of recognizing what makes us proud to be Manitobans. It is a vehicle through which we can recognize those within our community who challenge us to have a renewed sense of pride, optimism, and confidence in our province. As we approach the end of the century and the start of a new century it is timely to proceed with this legislation to honour our citizens. Madam Speaker, I commend this bill to the House.

Mr. Gary Doer (Leader of the Opposition): Madam Speaker, I move, seconded by the

member for Wolseley (Ms. Friesen), that the debate on Bill 23 be now adjourned.

Motion agreed to.

Hon. Darren Praznik (Government House Leader): Madam Speaker, before I move the motion to go into Committee of Supply, I would ask if you could canvass the House to see if there would be leave to waive private members' tonight. I know that there was always co-operation between the parties when events were being held. I certainly, on the record, would extend the same offer to members opposite when their party has a function.

Madam Speaker: Is there leave of the House to waive private members' hour? [agreed] Can I just clarify if the adjournment then will take place at five o'clock. [agreed]

* (1450)

Mr. Praznik: Madam Speaker, I would then move, seconded by the honourable Minister of Environment (Mrs. McIntosh), 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 Most Gracious Majesty.

Motion agreed to.

COMMITTEE OF SUPPLY (Concurrent Sections)

EDUCATION AND TRAINING

Mr. Chairperson (Gerry McAlpine): Will the Committee of Supply please come to order. When the committee last sat, the critic for the official opposition was making her opening remarks and has five minutes remaining. The honourable member for Wolseley, to complete your opening remarks.

Ms. Jean Friesen (Wolseley): I will simply summarize I think by saying that the government's policy on education, I believe, is one that has led to some serious difficulties for parents, for teachers and for families in Manitoba. I believe that it is a narrowly conceived education policy, that it has led to

reductions in a number of areas and that it has led to increased taxation at the property tax level which has put considerable hardship on, I am sure, many of the minister's constituents as well as those of mine. I think we are looking at user fees, unequal education across the province and in many ways a very inappropriate lack of accountability on the part of the department.

The government has said a number of times that it would be producing an indicators report, and for 11 years we have seen nothing. This is not something that has to be invented. It is something which is done in other provinces very simply, but this has become a government which is extremely secretive and which is unprepared and refuses after 11 years to produce an indicators report for the benefit of Manitobans so that they can see at least what changes are happening in education. Some of them may be positive and the minister may want to have presented them in that way, but so far they have refused to.

In post-secondary education it is a government which has a fee policy that is left open to the market and which I believe is affecting the futures of many young people quite seriously, a government which before the last election was prepared to put a cap on at 5 percent and before this election is not prepared to even look at any cap until the increases in tuition fees go to double digits. So, Mr. Chairman, I think we are not looking at a rosy future in education, and I think much of this has to do with government policy, with the kinds of narrowing of the curriculum, with the way in which the curriculum has been implemented. I think the government lost a golden opportunity there to introduce good, new curriculum. Much of this curriculum is good, and it is new and is welcomed by many people in the field, but the manner in which it has been introduced, the lack of resources and the reduction in support from the department I think has not given it a fair chance. It has also divided people within the education community one against the other, and I think that is very, very unfortunate. The government had a golden opportunity. I think it threw it away, and it did it for reasons which I can only begin to think of, but I guess, as we go through this book, we will suggest some of them.

Finally, in the special needs area, the government very successfully slid this through the last election by promising it in '93, in fact, even speaking in its annual report of 1994 that it had begun the special needs review, and then year after year there was no reference to the special needs review. On and on it went till the next election, and the government then began a review which was not a public review in the normal sense but was a series of focus groups which were interesting in themselves but which did not initiate a public discussion across the province on the needs of children in schools and on the needs of all the children who face difficulties in having access to public education in Manitoba.

So here we are at the next election, and the government now, I assume, is studying the special needs review report and manages to get itself through another election without having done anything in special needs and without having addressed the structural issues and the regional issues and the growing lists of waiting lists of children with special needs that have occurred as a result of their policies. So, Mr. Chairman, I am very disappointed in this, something that we have raised over and over again, and the government has now come to a next election without having to, in fact, put forward any policy or plans.

* (1500)

I regret the kinds of divisions which have occurred in Manitoba education. I regret the inequalities which are coming. I regret the loss of languages, as I spoke in the Legislature today, and I think much of this could have been avoided. But we have, I believe, in the Education department—I have no way of judging this minister yet, but certainly we have seen a series of quite authoritarian ministers who ignored time after time the suggestions from the field, who ignored time after time until the year before an election the advice of their own advisory committee on education finance and who seem to close their ears to any kind of evaluation or criticism and, Mr. Chairman, I think that has done a great disservice to Manitoba education.

Mr. Chairperson: I thank the honourable member for those opening comments. Under

Manitoba practice, debate of the Minister's Salary is traditionally the last item considered for the Estimates of the department. Accordingly, we shall defer consideration of this item and now proceed with consideration of the next line. Before we do that, we invite the minister's staff to join us at the table and ask the minister to introduce his staff present.

Hon. James McCrae (Minister of Education and Training): For the moment, Mr. Chairman, I would introduce someone I am sure is already well known to the education community in Manitoba, the Deputy Minister of Education, Mr. John Carlyle, who has been I think the deputy minister for a number of years now, and provided significant leadership not only to the department but also to the field of education in general.

Mr. Chairperson: We thank the minister for that introduction.

We will now proceed to line 16.1. Administration and Finance (b) Executive Support (1) Salaries and Employee Benefits on page 46 of the Main Estimates book. Shall the item pass?

Ms. Friesen: We are on a line here which looks at policy in the department and the setting of policy. I would like to ask the minister about the response to the special needs review. Could the minister tell us what plans he has, what kind of costing he has done on the implementations of special needs, when you review what the timetable is and what kind of personnel have been allocated?

Mr. McCrae: Mr. Chairman, I thank the honourable member for identifying the special education requirements of Manitoba's children as enough of a priority to bring it forward at the very beginning of this discussion. I share her assessment that special needs in our schools must be a key priority.

It was identified for me, if I did not know it already, very early in my term as minister as I made it my job to seek input from educators, parents and school business people. I learned early on that the special needs review was a matter very much on the minds of people in the system.

I think there is a general recognition, too, that the review is important, and that the government, having been the one to commission the review, should be commended for that. In addition, funding for special needs in Manitoba's schools has doubled in the past decade, which is an indication not only of support and priority on the part of the government, but also a recognition that anything that is growing by way of requirement at that rate ought deservedly to be the subject of a report of the type that we have received from the proactive organization.

The report was fairly fresh in terms of its release by the time I took office on February 5, and I made it my business to engage in discussions, as I pointed out already, but also discussions with Mr. Carlyle and members of the department to ensure that the department shared with me the view that special education requirements ought to be treated very seriously and as a priority. They, of course, agreed with that, because much work had already been done in preparation for the future. But the report is fairly well received, I think quite well received, by the education community.

I felt that, you know, just having the report and giving some lip service as to how we might implement it or when we might implement it simply would not be sufficient. I think I needed to demonstrate, not only to the general public but also to the department itself, that this remains a significant priority. So I asked Mr. Carlyle and I asked the government for some support for some early steps that could be taken that would demonstrate that we are very serious about meeting the needs of those who have special education requirements. I was pleased to be able to come forward with an additional \$2 million for this year's budget to attach to the 2.3 percent spending increase for the school system, to make it a total of 2.6 percent. But that \$2 million, I am very quick to underline and underscore and emphasize, is a first step in the implementation of the Special Education Review report.

I attended the MAST convention—I think the honourable member for Wolseley (Ms. Friesen) did, too—and was there for the debate with the party Leaders. Dr. Gerrard, the honourable member for Concordia (Mr. Doer) and the honourable member for Tuxedo (Mr. Filmon)

participated in that debate. They all committed themselves to implementing the special needs report. That is a good thing, because it demonstrates that there is a commitment on the part of everybody to move forward.

* (1510)

In addition to what was said that day, we have the \$2 million to begin our response to that report. It is much more than simply responding to a report because there are so many different segments of the education community and the rest of the community as well who ought to be concerned about this and involved in the implementation. It is a very multifaceted report and requires a comprehensive approach. We felt it important enough that someone of the calibre of Carolyn Loepky could be asked to head up that unit in the department that would take this on as a singular area of responsibility, the special needs requirements in our schools.

I had it brought very forcefully to my attention that this is not simply about children with special needs, this is about the whole classroom. This is about the teachers and the parents and the whole system, because there are children who are not getting the benefits that might be available to them if we had implemented this report. So that is what we will be doing. We have set up a special unit in the department headed by Carolyn Loepky, assistant deputy minister, and this unit will make it their business to work with other staff in the department as well as those with whom the department works year in and year out to develop the strategies that will need to be developed to put into practice the recommendations in the report. Now that is a general response, and if there are specifics that I can discuss, then we can do that too.

I should, before going on, introduce Gilles Richard who is a financial analyst in the Administration and Finance branch of our department, and Jim Glen. I have known Jim a little bit better over the last few years. He is an assistant deputy minister for Administration and Finance. I understand that Jim is not going to be with us for too much longer, but he has been around in government for almost 25 years. I think that people like Mr. Glen deserve to

receive some recognition for not only the years that they have put in but for the things they do during those years. I think we have come quite a distance in the Education department and in the whole education scenario.

I do not agree with everything the honourable member for Wolseley has said, but nonetheless I do not think she says that with a view of getting at anybody other than the leadership of the government. I appreciate that. But a lot of progress has been made in these changing times, and Mr. Glen has been involved with the department all that time, and I appreciate it very much. I thought I would mention that rather than simply just introduce him. This may be his last Estimates review process, and we wish him well.

Ms. Friesen: Yes, I understood there was a retirement on the books. Congratulations and best wishes in retirement.

I wonder if the minister could give us some more detail. He said that the new—I do not know whether to call it a new position, but the new unit headed by an assistant deputy minister. Could the minister tell us what kind of staff there will be in that unit and whether that unit is to be funded out of the \$2 million that the minister has initially appropriated for the funding of the special needs review?

The question that I asked in the earlier question was actually the entire costing of the special needs review. Has that been done, because there certainly are numbers floating around out there. I would like to hear something from the minister on what he estimates the cost will be. I would like a specific costing on location in the Estimates book of the \$2 million for the special needs that has already been allocated. Is it, for example, simply added to individual students to be part of the Level II and Level III allocations? Is it for a particular program? Is it for dealing with professional development? How has that \$2 million been allocated?

Mr. McCrae: Mr. Chairman, we expect the overall cost of implementation of this report to be significant. In fact, although costing of each and every activity that might be required as a

result of this report is not complete—and I do not think it would be complete for some time yet. But I do know that in order to completely implement all of the recommendations, we know we are going to need something in excess of \$20 million in addition to what is already in the budget, in addition to the \$111 million already spent on special education. Twenty million, it could be much more as well. At this point it is too early for us to tell what the price tag would be. If it were that precise, I am sure it would not take several years to implement, because we would be able to implement very quickly if we knew that kind of finite detail for what it was going to cost. If we knew what it would cost, we would know what was being paid for, and so therefore there would be more precision. But that is the best I can do at this point. I would hope in our next Estimates to be more specific with the honourable member when these questions come up.

I think that the other part of her question—there were a number of questions, but she asked about the make-up of this review team.

Mr. Chairperson: Order, please. There has been a call for a recorded vote. The committee will adjourn to the House.

The committee recessed at 3:16 p.m.

After Recess

The committee resumed at 3:40 p.m.

* (1540)

Mr. Chairperson: Order, please. Just for the committee's clarification, prior to the recess there was a reference made to adjournment instead of recess, so prior to the recess I just want to clarify that it was not an adjournment, it was in fact a recess.

Prior to the recess for the vote, the committee was considering line 16.1.(b) Executive Support (1) Salaries and Employee Benefits on page 46 of the Main Estimates book, and the honourable Minister of Education was

answering a question. Now, did the honourable minister wish to continue.

Mr. McCrae: Whether it was a recess or an adjournment, we are all back together once again, Mr. Chairman. The question was whether the \$2 million which we made available for special education, whether the special needs review team and their budget would be taken from that \$2 million. The answer is no. Those \$2 million will be distributed to the school divisions. I do not think I said everything I needed to or should have about the team itself. At the present time the team consists of Assistant Deputy Minister Carolyn Loeppky, who heads the unit and a secretary and an administration officer and two analysts.

As we address the issues set out in the report, that staffing arrangement will no doubt have to be reviewed, and the funding for various programming that takes place will also be the subject of various proposals that will come forward. We expect the proposals to come forward from divisions. The \$2 million is a formula, and it is based on the number of pupils in a given division between the ages of five and 12, which is the group that this \$2 million is intended to provide services for.

Ms. Friesen: Mr. Chairman, we are actually sort of proceeding on two parallel lines of questioning, one on staff and one on money, so I will continue with that. I would like to know from the minister where the staffing is located. It is an ADM position, and I understand it has two policy analysts. Could the minister tell me which line that is on?

Mr. McCrae: The unit is made up of staff taken from the School Programs Division who were previously involved in special needs programming functions, in any event, so that the unit is taken from within the department from the School Programs Division.

Ms. Friesen: Is the minister saying that the line that I would find this on is the School Programs Division, or is it the ADM line? What I am interested in is tracking this obviously in subsequent years. So where do we find this unit?

Mr. McCrae: You will not see it in this year's Estimates because the funding that we were able to secure came late in the process. So you will not see it as a line item. The School Programs Division from which these people come to form the new unit, you will see that next year. You will see the separate line for this unit in next year's Estimates, but you will also be able to ask us about reductions in the School Programs Division, which would account for the creation of that unit.

Ms. Friesen: So essentially it is being funded out of existing resources this year, though, in fact, people—there are two analysts and an ADM who is already an ADM, two analysts who are already analysts and are listed in the School Programs Division. So in effect the Estimates to that extent do not reflect what is actually happening.

Mr. McCrae: I think that would be correct. The idea here is not to enlarge the overall bureaucracy of the department, because we have some very talented people in the department who are used to the kind of outreach work that has to be done with the community. So you will see, as I have said, the unit referred to specifically as a line item in next year's budget, but you will not see a growth in the department so much as you will see growth in activity outside the department.

Now, I do not know, it may be that at some point the department will have to bring in some particular special expertise, and I cannot say that that will not happen, nor can I say today from where that expertise will come. But, to this point at least, the people who form the unit come from the department and are not additional in terms of expenditure. The dollars that we have earmarked, we want to be used directly for programming.

Ms. Friesen: To go back to the other question, which was the \$2 million, the minister said it is to be used for children between the ages of five and 12. I just want to clarify whether it is actually going to individual Level II, Level III students, or whether this is a particular program. Is it a new program or is it following existing programs in the ages five to 12?

* (1550)

Mr. McCrae: I think we should invite Carolyn Loeppky to join us at the table, because she is already very well on top of these issues. As I said, because these are first steps and early steps at that in the response to a report—probably some kind of record had been set, I think, in terms of the speed with which we have been able to make some kind of early response.

We are dealing with children between the ages referred to who are emotionally and behaviourally disadvantaged to a point that it is affecting their performance in school. This is in the area of prevention and intervention so that it could include children at the various designated levels, but it could also include children who we could prevent from ever having to be one of those designated Levels I or even II and III.

But I think that we need at this early stage to find out from divisions how they see these dollars being useful to them in their taking early steps in response to special education requirements in their divisions. And there are about 57 of them, as I understand it. When you divide \$2 million amongst them, for some of them it is a relatively small amount of money. So we are also encouraging at this early stage, because this will be very important later on, that divisions find ways to use whatever dollars that are available for special education kids. If partnerships can make the investment a better investment, we want to see that happen.

Obviously, in some of our rural divisions where schools are far flung, it does not make much difference to the child which division they are in. If there is a regional type of program available that they can benefit from, we want to see that happen. As I say, Ms. Loeppky and her team are doing a lot of work to get ready to deal with this in a more substantive way, but certainly I think identifying those children between the ages of five and 12, I think everybody will agree that the earlier we can do things to prevent and to intervene to make the learning experience something positive, something effective, the more money will be available later on for those who will require on an ongoing basis intervention on the part of the system.

So I think that is the whole substance of the report, and we are confident that we have the right people certainly in Ms. Loepky to work with the system and bring about programming that will make the most sense to the greatest number of children so that we are not spinning our wheels in the education system dealing with kids who are clearly needing something more than the system has previously been able to provide for them.

Having visited in a few schools now as minister, you learn things that you do not learn when you are not a minister because you are not as focused in the same way. I have been fortunate to see the effect of some of the programming that is available. I have also been able to see the need that still has not been met. It makes you want to do something really quick. To take some kind of knee-jerk reaction is not a good idea. It might be well intentioned, but it is not a good idea. I think by careful examination of the recommendations here which come about as a result of quite a bit of consultation with people who do know more of the answers than I do, I think by taking that approach, planning a series of measures and planning an environment in Manitoba for our children for the future and taking the time that is necessary to do that will result in the best results in the longer term.

Ms. Friesen: I am still not clear where this \$2 million is going. Is it, for example, money that the divisions have to apply for? Is it, for example, matching grants? Do the divisions have to have plans in place that indicate prevention? I understand or I assume that that \$2 million is on the School Programs line, but I am interested in the policy here. The minister has made a specific move in pre-electoral terms, frankly, I think, to put some money into special needs, and I would like to know exactly where it is going.

An Honourable Member: That is a pretty gross assumption, and I worked for two years on that special needs review, obviously—

Ms. Friesen: Mr. Chairman, I think the former Minister of Education wants to put something on the record.

An Honourable Member: May I?

Ms. Friesen: Absolutely, be my guest.

Mr. McCrae: As I was consulting with my deputy, I missed out on the dialogue that was going on. It is probably okay if I did.

In any event, I did hear the honourable member for Wolesey speak about pre-election measures or something like that, and I am sure we will get into a discussion of that at some point in these Estimates. Whether something happens, as the honourable member states, just before an election or just after an election or sometime between, there is never a wrong time to do the right thing for our kids. I feel very strongly about that. As an Education minister now, I would like it to be more than \$2 million. If I thought that I could get \$10 million and throw it on the table and overnight everything would be all right, I would like that, but that is not the world that we work in, and the member knows that and realizes that, I know.

In fact the review told us that this is really is not about money so much as it is about doing it right. The best practices are referred to. We want to bring out and discover all of the possible best practices there are. The dollars that are being distributed to the divisions will be distributed upon application. This is not a question of matching, no requirement that there be matching. Now, the reason for the requirement that there be application for this is so that our unit can work with these divisions to ensure that best practices are what are being sought after and hopefully achieved at the end of it all. This is very much a working document, this particular report.

I dare say, depending on which party Leader you listen to, it is going to take anywhere from three to five years to get this accomplished, but even then I ask myself: are we really going to have the job done? I do not know today and neither does anybody else. I do not think even Ms. Loepky probably knows that.

It is a question of making sure that we continue in our system to meet the needs. The needs today are not the same as the needs were 15 or 20 years ago or even 10 years ago. In fact, in my visits, it has been made very clear to me that each year different issues are coming

forward. Children are presenting to school with problems on a scale that we have never experienced before. This is something that is probably worthy of a study all by itself to figure out why this is happening but, I mean, I think we know enough to know that programs like EarlyStart and BabyFirst are a good direction to go in as well.

* (1600)

I believe that we are going to see more attention paid on that in the future than we have in the past, and that is probably the best investment I can think of. I remember being present at the announcement of those programs for the regional health authority in the Brandon area, and I think educators would agree with me that the sooner we get at issues related to problems for kids, the better it is going to be not only for those kids when they get into the school, but the teacher is going to be much more efficient because the teacher is going to be able to deal with a class that is more ready to take on the lessons that are part of the teacher's work.

So there is no doubt in my mind. In fact, I have been preaching this for some time in my various previous portfolios as well. Let us get at the problem. It was years ago that I became aware of the Headstart programs that have existed in other places. The startlingly positive results that come out of those really give us good justification to move in the direction we are moving with special education, not only special education but programs brought in by the Child and Youth Secretariat.

Recently, I think, out of an abundance of zeal I have made the point that the Minister of Family Services (Mrs. Mitchelson) was behind these things, but it is really the Child and Youth Secretariat. I knew that, totally a slip of the tongue, but I think it is necessary to repeat that the Child and Youth Secretariat probably needs greater visibility in our society because they bring together departments in a way that departments simply were not structured to come together in the past on their own, no comment or criticism of anybody, but the unit was, in my view, the right thing to do, because it results in things like BabyFirst. There is other programming like that that is out there that once they are

fully operational and meeting the needs of more children we will definitely see a difference as they enter the school. But even then, we are going to see children who, whether they slip through the cracks or whether the services simply did not do the job, we are still going to have kids with emotional and behavioural and other problems in our schools.

So I am very pleased that we have made a beginning on this. But I caution the honourable member, it is simply a beginning at this point. As a minister, for me it is an expression on my part and that of my department, of good faith with all of our partners that we are definitely moving in the right direction. We have the blueprint there in the report. Ms. Loeppky and her team have already, in a very short time that their attention has been exclusively riveted on this, done a lot. I am really happy about that, because it is another little piece of comfort for me that we are definitely committed to this and we are definitely moving in the right direction.

So, yes, it is a matter that we want the divisions to apply for, because we want to see what kind of programs they are going to come forward with. We want to have and we are going to fast-track these things so that we can evaluate what they are coming forward with to determine that it is one of the best practices that we can arrive at and then, to the extent that it is appropriate in other areas in Manitoba, recommend those best practices so that we are getting the maximum value for the dollars.

We have to remember that we are dealing with little human beings here that are pretty important to the future of this province and to their own future and that of their family.

So I think that there is a general understanding right around the table and well beyond that this is the right way to go. It was, after all, the government of Manitoba that commissioned the Special Education Review. The government of Manitoba paid for it. The government of Manitoba supported it. The government of Manitoba welcomed it. My predecessor very kindly left it on the desk for me. There was not anything else on the desk when I took over but that report, a little message

from my predecessor about what is important. I appreciated that too.

Ms. Friesen: Well, it is good to hear the minister speak about early childhood education in that way and of the years, I think it is about 25 years at least now of research, all of it tending in the same direction on the benefits of early childhood education. I welcome this as a change in expression of policy, certainly in this department, from a minister who talked of it as an expensive frill in earlier years. It does make one wonder why the government is—

Point of Order

Mr. Chairperson: The honourable Minister of Environment, on a point of order.

Hon. Linda McIntosh (Minister of Environment): Yes, Mr. Chairman, I would like to correct some inaccurate information that was just put on the record. The honourable member has said the previous minister talked about special education as an expensive frill. She is wrong. I said nursery school was a costly enhancement, which it is, an enhancement, not a frill. I never used the word "frill." I said if you want to enhance education, this is a wonderful way to enhance it, but it has a cost and we need to find the cost. We need to fund that from other sources, which we are now doing, looking through the Children and Youth Secretariat.

She is leaving a wrong impression on the record purposefully, because she knows I was talking at the time about funding it from sources other than classroom sources. So I just want to correct the deliberate false impression she is attempting to mislead the committee with. Thank you.

Mr. Chairperson: The honourable minister does not have a point of order. It is a dispute over the facts.

* * *

Mr. Chairperson: The honourable member for Wolseley, to continue with your question.

Ms. Friesen: From the perspective of the field, can the minister tell me what kind of criteria are

going to be or have been established for them to make their applications under? Has, for example, a letter gone out to all of the divisions that would give them a sense of what kinds of things are appropriate in this area?

Mr. Peter Dyck, Acting Chairperson, in the Chair

Mr. McCrae: Mr. Chairman, I am glad we got that other little matter sorted out. I think we can avoid any of that sort of thing. There are ways, I know that the honourable member for Wolseley and I and the honourable member for Assiniboia (Mrs. McIntosh) all know how to do that.

Mr. Chairman, in regard to the question, yes, a letter has gone out to each and every division and district, and it has been sent to superintendents and chairs of school boards and student service administrators announcing the purpose of the initiative. In addition there have already been held regional information sessions to inform school divisions and districts about the purpose of the initiative, approval criteria, and we can go into more detail about the approval criteria, the approval process and the timelines for submission and approval of applications.

There is more than one department involved in this. We are going to be working with an inter-departmental team to review the proposed programs and to give feedback about the programs and to share those programs. The reason we were quick to get going on it is that it is important to make some early starts. The school year only lasts so long. We only have so much time in which to spend these dollars. I want to make sure we spend them properly, and that is why all of this has already been happening. There is an intersectoral program review team consisting of the departments of Education, Family Services, Justice, Health and the Children and Youth Secretariat, and it is going to help review and evaluate the proposals and make recommendations to the department and to myself. This intersectoral approach to the review of proposals is going to ensure co-ordination, and in some cases, enhancements to school division and district efforts.

Now I know when you include all those people, there is a tendency for it to take longer and this is a concern that I would have. I simply

do not want, in the interest of collegiality and in the interest of making sure everybody's base has been touched, that it does not result in an unnecessary waste of time, because I think that is a disservice to the kids, so we have the benefit of the report which is kind of a guide for everybody, which I hope will help to speed up the process. But these are the right people for us to be working with. If we tried to do it alone, I have no doubt that there would be reason for criticism that we have left some important segment out. This is not the way to go. It sounds cumbersome, but I think it will still be doable and it will be a better result. I am confident that the initiative will provide divisions and districts with opportunities to ameliorate negative behaviour problems by getting involved early in the students' learning experience.

* (1610)

The type of criteria that we are going to be looking for, and it is good that these questions are being asked, because anybody then can access this information and get going on proposals. We want some evidence of research into areas of program design that will be coming forward so that we can do a quick analysis, a quick and effective analysis, with all the parties we are going to have involved and then make decisions, flow the money and get the help to the kids.

We want to include other service providers, and we want everyone to know that we expect results. We do not want to be back here a year from now saying: Are we not good? We have spent all these dollars when we cannot show you that we have got some results. And I think it is right that you should expect results when public dollars are being spent, especially when all these good people are doing their best to put programming together that will benefit these youngsters, which is what it is all about. So we do want results. We do not want to spend money unless there is an expectation of results.

We simply will want to know what type of evaluation process they are using so we can have some confidence that there will be results. We do not want this to be a bureaucratic or cumbersome review. We want it to be efficient

and expeditious and that is what I want everybody to be reminded of because I think that in the past we have tried to do too much all by ourselves, or some other agency has tried to do too much all by itself, and they are not equipped. They do not have the money, the expertise, whatever. They do not have all of that and with this multisectoral, multidisciplinary approach, all the experts are recommending this these days and it is for very good reason.

Ms. Friesen: Mr. Chairman, I wonder if the minister could table the material that has been sent to the division which I anticipate gives us an indication of the criteria and the timelines and the evaluation processes.

Mr. McCrae: If we can get it right away, we will; if not, we will have it for you in the morning.

Ms. Friesen: Mr. Chairman, one of the issues that was raised with me which applies to both the special needs review and the at-risk task force which the government had within the system on its own account some months ago. Both of these seemed, to the people who contacted me, to be very limited in their aboriginal participation. The special needs review had no aboriginal people on the committee of direction. It did not meet in any aboriginal communities. I am not thinking of reserves particularly, but I am thinking of areas where schools are shared between reserves and Metis communities. The same was true, I understand, of much of the at-risk study as well.

So I wonder if the minister had some comments on that. I have raised it in Question Period. It is a very genuine concern on the part of these people. It is one that I think has significant consequences for the way in which the implementation of the special needs review can be met.

Mr. McCrae: I certainly can appreciate the concern that might be raised and has been obviously with the honourable member. This was a study and a work conducted by the proactive organization. It is important for us to ensure that aboriginal organizations and individuals were consulted in the process of this work because I know that aboriginal children

have amongst them their share of children, and probably more than their share of children, who need special education services.

My staff is shuffling through the papers. I had a list which I should have shared with the honourable member when she actually raised this. It is quite a long list actually of aboriginal organizations and individuals who were consulted throughout the process, which may not suit the honourable member's question if she is talking about membership on a panel or something, but the fact is the input was there. I can undertake and will undertake to bring that forward in a subsequent answer.

Ms. Friesen: Yes, I look forward to receiving that list. One of the issues that was raised was that the steering committee had no representation of aboriginal people. There did not appear—and this is part of my difficulties with this review, it is a semipublic review in many ways—that the public discussion and conversation has not taken place. I understand, although I do not agree, with the kind of strategy that the government adopted on this. I think I can figure out their political reasons for doing this.

But it seems to me that the kinds of reports and advice that was offered by a wide variety of organizations, not just aboriginal organizations, but school divisions, organizations which represent Manitobans in a broad sense such as the Society for Manitobans with Disabilities, that the advice and material that they submitted should be part of a public process. I have spoken to the department about this. This is not a new issue. I have spoken to the consultants about this. Each of them replied that it was in the hands of the minister.

So I am wondering, for the purposes of a public conversation, whether all of the information, with the permission of those people who wrote it, whether that can be formulated into a collection in the library, in the archives, so that they can be consulted. I am not sure if the minister understands what I am getting at.

Mr. McCrae: I am not sure either.

Ms. Friesen: Basically, what happens is that people across the province wrote to the

reviewers. I have no way of knowing what was said in Thompson, for example. I have no way of knowing what was said in Selkirk. I went to ones in Winnipeg. Similarly, I am not putting just myself in this position, people in Selkirk do not know what was said in Thompson. Nobody knows what was said in the many submissions. The minister is going to give me a list, I assume, from aboriginal organizations. Nobody knows what was said in those.

So from the perspective of trying to understand what Manitobans said at one point at the end of the 20th Century about special needs, there is not a good and full public record. We have a report. I trust the report to have reflected some of those views, but I do not know whether that report reflects all the views. That is why I think people need to know about the public discussion. What I am asking for is a full public record and whether the minister is prepared to make a commitment to have that in the library.

Other government reviews have done this. I make reference in particular to the one on freedom of information. Initially the government said they would publish it and do a second paper. They did not. But they did at least put all of the submissions into a binder in the library where they could be consulted. I thought that was a fair way of going about things. It was public review, public discussion, and everything was available. Is the minister prepared to do that with the special needs review?

* (1620)

Mr. McCrae: The issues around special needs children sometimes are very sensitive ones. We, I should not say we, but the system chose this methodology on purpose because of that. We wanted people to be comfortable with the process. I think that is what we achieved. I look at results. If the report at this point is the result, at this particular point in time, I am pleased at what I am hearing from certainly the leaders of the political parties and others is support for what is in there. So if there is anything I can share with the honourable member that I should be sharing, I would like to do that. I want there to be some level. Between the lines, I am getting a sort of a cynical report from the honourable member. I do not think the motives

are at all questionable. I think that our motives are the same ones that the honourable member has. I do not like to be accused of having the wrong motives in dealing with a matter like the special education needs of our kids in this province. So anything that I can make available to the honourable member, I will review that with my staff, because I do not want her to feel this way about it. There are people who do not want their issues discussed openly. That should be respected. The honourable member, I am sure, would agree with that.

So what I will do is, if there is some submission or some piece of information the honourable member wants, then, if she could be specific, I would be pleased to look into what I can do. I am not interested in holding back information for political or partisan purposes. I am quite sincerely interested in getting programming ready for the children of Manitoba so that they can benefit. It is as simple as that. I simply do not have it in me, I do not think, to engage in a process that is deliberately designed to leave some group or organization out. That is really counterproductive. So if the honourable member will be a little bit specific about it.

I mean, we cannot go back and do the whole process again. I think a lot of the people who were involved in the process appreciated the way it was being done. Again, I go to the result. I mean, what are the reviews? The party leaders are saying: This is a good report; this is a good product, however you got it. I am sensitive to what the honourable member says, and I have a long list of organizations, aboriginal ones especially, that were consulted as part of this. That list is something I want to recite for the honourable member. I cannot do it right at the moment, but the Special Education review report identified the need for a variety of actions that will strengthen the entire system for special education students. I have to say this is really the first time that I am getting any message or signal, which is clear to me at least, that there is a problem associated with this report.

If there is a way we can fix that problem, then let us do it, but I do not think we want to go over another couple of years of review and all of that when I know that lots of affected people and knowledgeable people have been consulted here.

When I know all of that, and I have a report that generally receives support, I do not know what there is to go back over, but I am quite happy to answer to the best of my ability any questions or issues the honourable member raises.

The work of the report identified the need to work towards the development of stronger initiatives that would create supportive learning environments as well as the development of special education programs that were culturally appropriate. No doubt that culturally appropriate point has to come from input from people who have issues and concerns about culturally appropriate programming.

The report also indicated that the literature on aboriginal children and special education tends to focus on the effects of social conditions rather than on culturally based best practices. This is an area that we will be working on as the recommendations are implemented. We will not be doing it alone. As we have pointed out before, it is multisectoral, and that is for good reason, because we do—whether I like it or whether the honourable member likes it—work in a political environment. Politics do find a way into these things. I wish they did not, but that is the reality. Some people will use children with special needs as some kind of a pawn to make some kind of a political point. I do not appreciate that. I do not want to play that game, and, to the best of my ability, I will not play that game, because this is too big for mere politics, in my opinion.

It is our intention also to continue our partnership and dialogue with reserve and federal educational officials in order to share the learnings and any of the subsequent actions that are undertaken. I do not know what else I can say. We are trying to be as open as we can. I do not think there is anything sinister about any of the effort that has gone into this. If I find out that there was, I will be dealing with it in the most effective way that I can. No one has come to me. This is the first indication, really, that I know of, that there is something amiss here. So, if the honourable member can maybe spell it out a little better for me, I will have a better understanding.

Ms. Friesen: The minister will note that, when I presented the question to him, I talked about the

actual conclusions and review recommendations as quite separate. But what I am concerned about is the process of a public review. For example, I had to ask the minister what aboriginal organizations were consulted. There is not a list in the review. Normally, reviews have a list of all the public presentations that have been made. I make reference, for example, to the Norrie commission, the boundary review report, which did have all of those. This particular review does not. It is not that I am implying there is anything sinister. I simply want to know who presented. I do not want personal information. This is an area obviously where there will be individual presentations of personal information. Fair enough. Quite separate. But organizations—I specifically made reference to that in my question—the aboriginal issue is one issue that has been raised. The other is: What organizations did make presentations? Where is the list of them? Is it possible for the public to view those presentations, which were made to a publicly appointed review body?

Mr. Chairperson in the Chair

Mr. McCrae: The report itself outlines a lot of the people with whom consultations were had. I think the honourable member keeps saying presentations, because I think that sometimes people think of an effort like this as maybe being a committee room like this where there is a microphone at one end of the table, and everybody comes forward and makes their presentation. Not everything works that way, and this one does not. This was a consultation.

Mr. Chairperson: The honourable member for Wolseley, on a point of clarification.

Ms. Friesen: Mr. Chairman, yes, just for the minister, what I am asking for is the list of written presentations, because the committee did ask for written presentations if people wanted to make them. That is all I am looking for.

Mr. Chairperson: I thank the honourable member for that.

Mr. McCrae: What I am going to suggest for the honourable member is that the report itself has in it a list of all of the education groups and organizations, other organizations; for example,

the Hanover Teachers' Association; the Brandon School Division, Mr. Jim Reid; Salisbury Morse Place School; and on and on, and then organizations like the Cerebral Palsy Association—I am not going to go through them all; do not be worried about that—Manitoba Down Syndrome Society; Manitoba Society of Occupational Therapists, Movement Centre. It is there, and it goes on and on and on.

What the honourable member wants to know is about written presentations. She can contact any of these groups, and that might short-cut the whole process, that rather than us going through the process of making them all available to the honourable member, she may find that it might be better for her to contact the organizations for their permission or to ask for a copy of the presentation they made to the inquiry.

* (1630)

The other point that needs to be made is that this thing involves case studies, lots and lots of case studies, in-person interviews with people, and all of these case studies, including the Agassiz School Division, but not limited to, the Brandon School Division, Mystery Lake, Red River, Turtle River, Winnipeg, for example, all of those had aboriginal persons involved in those case studies.

You may not have, I am advised, the list in the appendices, so this list that I have in my hand is something that I can make available to the honourable member, and then she can have a look through that. If she wants to know what presentation was made by any individual organization, she can be quite free to have maybe her research staff or somebody contact them, and that is the best way to find out if they want to share that with the honourable member. They may well want to, and they may not, too. I do not know. That is up to them.

Ms. Friesen: Mr. Chairman, I have a copy here of the proactive report. I do not believe it was in that copy. Now, I have a loose-leaf copy, and perhaps there are other reasons for that, but perhaps if it is wide, if it is general, that that list is not in all the copies, perhaps the minister could table them, so it does become a public document.

Mr. McCrae: I assure the honourable member that the appendix that I am talking about, all these names on it, is part of the report, and if the honourable member did not get it and wants it, simply put, we can get it for her or anybody else who wants it.

Ms. Friesen: Well, would the minister table it then, so it is part of a public document in case other people got copies that did not have it in?

Mr. McCrae: Yes, we will do that, if not this afternoon, tomorrow morning.

Ms. Friesen: Could the minister tell me whether that appendix lists the aboriginal consultations which were held and any aboriginal written presentations that might have been made to the committee?

Mr. McCrae: I think we are sort of formulating what we are going to make available here on this. I am not sure what the honourable member asked specifically on this last one, but I think the tabling that I am going to do is going to answer that question.

Ms. Friesen: The minister said this is already part of the report, which is a public document, so there should not be any problem in tabling it.

Mr. McCrae: There is not.

Ms. Friesen: Good, okay. So what is the problem?

Mr. McCrae: Either later this afternoon or tomorrow morning.

Ms. Friesen: I think I asked if that included the list of aboriginal organizations which had either been consulted or had made written representations.

Mr. McCrae: You see, the way the people doing the report did it, they did not identify political organizations. There were case studies of people involving divisions, and aboriginal people were very much part of that. But I do not know that anything comes out identified that political organizations representing aboriginal people have—I may be wrong about that. We spotted one, but there may be others too that in

one way or another were, so I am having a little trouble.

I think the honourable member is trying to make the point that aboriginal people feel left out of this process. I am trying to make the point that should not be the conclusion that should be arrived at, but I cannot tell the honourable member what conclusion to arrive at.

Ms. Friesen: I am simply looking for the evidence that that is not the case. The only evidence that I can think of at the moment are the kind of presentations which are either solicited or offered. The case studies, yes. Obviously any case study in any school division in Manitoba is going to involve—well, not any one but most of them are going to involve aboriginal students.

So the minister is making the case that I should not think that people were not represented or consulted. Well, all right, where is the evidence? Is there another kind of evidence that the minister has if there are not any listed in this particular list?

Mr. McCrae: I think that as part of the process of doing this work, schools and divisions that had aboriginal populations were particularly picked out for consultation knowing that aboriginal people and students and children were part of those divisions. So, no, I reject any suggestion that somebody has been left out because we needed to get at what the problems were and the issues were. We know that aboriginal children are as likely or more likely than other children to need better services, and so that was the focus of the work. But certainly, you know, if you want to make that point that the chief's organization or something like that was left out, I guess you can do that. The point is we went to real people and real issues.

Ms. Friesen: The point I was making was that there was no aboriginal representation on the steering committee and that there were no hearings held in aboriginal communities. So I was asking for what other evidence, what other lengths had been gone to. I gather the minister's argument is the divisions did it, if anything was done, and it is part of any case study. Yes, I am

sure it is a part of case studies, but it is that direction that I was asking for information on.

Mr. McCrae: I remember the honourable member's question about the membership of the steering committee, and with due respect whoever was on the steering committee, in my opinion, that is not the point, but if the honourable member thinks it is, she can think that. All I am saying is what work was done and what problems were addressed, and the sense that I get from talking to my staff is that what the review attempted to do was actually solve something rather than make some political point. Approximately 700 people attended the six community forums which was part of this.

I do not want the honourable member to think that this was a matter of having a bunch of public hearings and then sitting down and writing a report. There was much more to it than that. Approximately 700 people attended the six community forums which were held across the province. They were held in Carman on Tuesday, November 18, 1997; and in Brandon on Saturday, December 6, 1997; and in Winnipeg on Saturday, January 17, 1998; in Thompson, Tuesday, February 17, 1998; in The Pas, Saturday, February 21, 1998, and in Selkirk, March 24, 1998.

There were 130 organizations and 70 individuals who made submissions to the review. Just on that point alone, I would hate for the honourable member to try to leave the impression that somebody was excluded because the numbers just simply do not suggest that at all. Over 1,000 administrators, teachers, parents, students, professionals and paraprofessionals participated in the 12 case studies; 18 interviews with staff from the provincial government departments involved, that I mentioned earlier, were conducted.

* (1640)

When you do not have forums in communities ranging from The Pas to Winnipeg, forums about special needs in our schools, when special needs programming is required more by aboriginal people on a per capita basis than everybody else, and you have 700 people attend. You would not have gotten 700 people to attend

unless there was some notice out there that these things were happening. To suggest that there is something wrong with the aboriginal input or to suggest that aboriginal people were not welcome or were not included, why would we do this? What did it cost? [interjection] One hundred and forty-six thousand dollars, and the work went on for a couple of years. Why would you do it? Why would you do it if you are going to leave aboriginal people out? Because we know that quite a percentage of the kids in our province who have special needs are aboriginal kids. I mean it would really be stupid to proceed without doing that. I do not accept that anything stupid here happened because again I go back if the honourable member's Leader supports the implementation of this report. So what are we playing around with here? Are we going to get to some facts or are we going to do this all afternoon?

Ms. Friesen: Mr. Chairman, the department has a Native Education Directorate. It is proposing that this become—in fact it has been proposing this for quite a while now—part of the overall planning of the department. That the directorate be involved in all aspects of planning, that the previous ministers have argued a different approach, that rather than having a single native education branch, the director would have a corporate policy and a corporate impact.

What struck me as very curious, and the minister may not think this is a fact, but it just struck me as quite curious that they were not involved, or that there was not a departmental native presence involved in the planning and direction of this. Is there a reason for that? Was it an oversight or what was the reason?

Mr. McCrae: The department is not so big or scattered around that we do not talk to each other. My understanding is that there was a continuous presence and ongoing sort of involvement of that part of the department. It needs to be said, too. I have been advised that many efforts were made to accommodate participation. A lot of community-based advertising was done at local schools and in surrounding communities. There was a 1-800 line available for information purposes. Participants all had an opportunity to talk. The forum gave all people who attended the chance

to give their views and their opinions. There is simply no case to be made here by the honourable member with all due respect.

Whether these people showed up or not, I want the member to know that these were invited: the Aboriginal Council of Winnipeg, the Assembly of Manitoba Chiefs, Ma-Mow-We-Tak Centre, Manitoba Metis Federation at locations in Winnipeg, Brandon, The Pas and Thompson, Anishinaabe Child and Family Services and Project Neecheewan, Dakota Ojibway Child and Family Services, Awasis Agency of northern Manitoba. These people are the ones who know who these kids are too, by the way, Flin Flon Indian and Metis Friendship Centre, The Pas Friendship Centre, Lynn Lake Friendship Centre, to name a few. Those are their three copies there.

All these people received invitations. I guess I am just having trouble understanding where the honourable member is coming from. I am an MLA and normally I bring forward stuff that somebody is complaining about. So they want me as an MLA representing people to bring forward and do something with it. I assume that is what the honourable member is doing. Who is complaining? That is what I need to know, because it is never too late to do the right thing, you know. If we have left somebody out, there is still a chance for us to get some input. This is an ongoing process.

Ms. Friesen: Mr. Chairman, I am glad to receive that information. That is what I was asking for.

Mr. McCrae: Well, I should have got it to you sooner, I admit that.

Ms. Friesen: Fair enough.

Mr. McCrae: I just said I should have got that sooner to you, I admit that.

Ms. Friesen: Thanks very much. Mr. Chair, those were issues of process and inclusivity. The minister has given me assurance that these invitations were made and accommodation to the review for doing that.

I want to move now to the recommendations. The minister is right in saying that there is general support in the community, as well as at the political level for most of the recommendations of the review. I think there are differences of timing. There are differences of concerns about how quickly some of the legal issues can be dealt with, I think, certainly at least in two of the parties.

I did want to go through some of the specific reviews, because they seemed to me to speak to some things which may or may not have been happening in the department over the last 11 years. If we could begin with the first recommendation which is that the province, and I will read it into the record, Mr. Chair, because I am quoting: The province develop a mechanism for tracking the actual special education programs and services being provided, and that this mechanism be compatible with the new program review process being developed by Manitoba Education and Training.

Now that seems to me—it is a very puzzling recommendation. Does this imply, as it seems to do, if you go to the body of the text, that the department does not now have a mechanism for tracking special education programs and services being provided? My impression was that the department had ADAPs. On the other hand, as this review also notes, the requirement for ADAPs to be reported to the department was dropped before this review was presented.

I have raised the issue of ADAPs before in this process. There is a great deal of variety in the way in which ADAPs are presented. I think there are certainly many arguments to be made for making that much more systematic across the system. But I was very puzzled. My impression is that many other people have been very puzzled by the department not requiring those ADAPs now to be reported to the department.

I had my concerns last time about these ADAPs because it did not seem to me that the department was actually reviewing them anymore. They were being presented. It was a single page that was being presented. There did not seem to be any response to the divisions: yes, you are on the right track; what are you doing here; why have you—there did not seem to

be any response at all. I think some of the divisions certainly felt they were dropping these things into an empty pool. I think I am mixing metaphors there. Anyway, they felt that they were not getting any response. So rather than improve them, and I think there are a lot of arguments to be made for improvement there, the departments simply seemed to abandon them. So what happened there? Why does the review believe that the department has no mechanism for tracking? If that is the case, why is that the case after 11 years?

Mr. McCrae: I think that some of this existed but not to the extent that the proactive people think it should. That makes sense to me, that that kind of recommendation should appear. Let us get a good inventory of what is going on in every division. Do not forget, we are dealing with lots of different programs run by lots of different people. Some of this was done, I am advised, previous to the production of this report. But not all divisions had within what they were reporting to the department the same level of information. It is not something that was developed to the point the honourable member's question suggests maybe should have been.

I guess if everything was the way it should be, then you would not need a report in the first place. I think there is a recognition that everything is not as it should be and that there is work to be done. All the money, a doubling of investment in these children has not solved all the problems. Therein lies the reason for going ahead with this work.

* (1650)

The program review process referred to in that first recommendation will be a comprehensive look at what the divisions are doing. In many areas we are going to be starting this in September. We are going to work with the divisions to develop the process and the mechanisms.

I guess it is easy to say that if you are going to start something new, then I guess it is easy to say: why did you not do that 20 years ago or 11 years ago or whenever you had a chance to do something about it? The fact is, there are lots of

services being delivered to children now, \$111 million worth, and if you do not have the kind of inventory that we are talking about with this recommendation, you do run the risk of maybe having some overlap and the kinds of things that the Child and Youth Secretariat, for example, is attempting to improve on, that being some sense that each child is getting the best that the system can provide within the ability of the resources to make available to those kids.

I just repeat, I do not think it is fair of the honourable member, but I cannot stop her from concluding that if this is the recommendation that it should have been done before. Well, if it had been done before, we would not need the recommendation. I think we all recognize that we need these recommendations to do something better for our children. When these ADAPs were first initiated there was a lot of feedback that went back to divisions and many changes and improvements were made over that time.

This is not unlike New Directions. Just because we come out with some ideas to improve special needs education, by that I do not think we should be concluding that what we have been doing is bad, which is the implication in the question. I think the honourable member might want to review her thinking on that. This is not a contest. This is a job we all want to do for our kids. I will not go further than that. We have only got a few more minutes.

Unless the honourable member wants to get into a debate, I am quite happy to do that, but in the course of it, I would have to be asking questions as well as just giving answers. My role is apparently just to give answers. So the honourable member has an advantage on me because, strictly speaking, I am just supposed to be answering questions. I have got a lot of questions for the honourable member. I have a feeling she will not answer them even if I do ask them.

Before I conclude on that, a little while ago, and this is thanks to the responsiveness of my staff here, we have made material available to the divisions, all superintendents and chairs of school boards. This is the letter that I sent out when we came up with the \$2 million additional for this year. I am going to give the honourable

member a copy of the letter that I sent. I can table it if that is the easiest way or the best way to do it. I have only got the one copy.

The other material I am going to give to the honourable member I am not going to table because I think that really all she wants is to have it. If she wants it tabled, she can arrange for that. There is a PowerPoint presentation that we have been sharing. We have an application form for the Early Behaviour Intervention initiative, a submission review check list. I mean, we have tried to make some progress here. We are trying very hard, given the shortness of the time we have had. I just think we need to just go at this. I am very pleased with the people we have doing this, and I am pleased that that is happening because it demonstrates that kind of commitment. Another multipage document, three or four pages, that sort of enlarges on what is in the letter and maybe talks about the criteria and submission review check list.

So I am going to give all of this just directly to the honourable member, and then if she wants to see it tabled, she could do that. I have no problem with that. So I will pass that over to her. I do this because I want to demonstrate that we have tried to hit the ground running, and, besides that, the honourable member asked for whatever information we could make available to her.

Ms. Friesen: The minister wants to talk about fairness and equality here. I see eight staff, no, seven staff, is it, sitting here, and he believes that he is at a disadvantage? It strikes me as a little odd. And I think there are a few more behind the eight, and I think there is a great deal of information that the minister has that I will never have. So I do not think the minister should want to portray himself at some disadvantage here. Of course, I know the minister enjoys answering questions, and he certainly enjoys the informal debate that comes with the questions and answers.

I do think it is fair to ask about the ADAPs. We are talking here about a process of reporting and evaluation. It is one of the fastest growing areas of finance in the Department of Education. Many ministers have told us that. So the

evaluation and reporting and accounting of the spending of that money in special education I would think would have been a focus for the department over quite a long period of time. And, yes, it is appropriate for the special needs review to suggest that there are better ways of reporting this.

But what I am curious about—and the minister did not address this part; in fact, I can remind him of it—is the ADAP system which was developed by the department to address this need for accountability for the increasing dollars which are spent in special needs, and yet (a) the feeling on the part of divisions that they were not getting any response or guidance on that; (b) perhaps the sense of the department that these were not very useful and that, hence, there was not the kind of continuing discussion with departments; and (c) the initiation by the department of a change in policy before the special needs review reported, and that was the dropping of the requirement that these ADAPs—which are, after all, the only form at the moment of reporting to the department on what special needs programs exist and how they are put into place, how many children they serve, what kinds of needs are met, and how these policies change year by year. It is a simple—well, not simple, but it is a straightforward and I believe the only form of accountability for the particular special needs policies across this province.

My question is why was that dropped and how does that connect to the kind of unease, dissatisfaction that this review clearly found with respect to the tracking of special education programs?

Mr. McCrae: I guess I came into these Estimates naively, Mr. Chairman. I thought we were going to engage in some meaningful discussion about our kids and how we can make things better for our kids, and what I am finding is the honourable member hidden in some pretty nice language. There are little arrows in there that are not helping in terms of a meaningful debate. You know, to make reference to staff of the Department of Education, there are about 600 people in the Department of Education, the K to 12 part. We have about 200,000 students out there, I think, in Manitoba. What point is the honourable member trying to make, the fact that

I said that she has got me at a disadvantage?
[interjection]

It was meant to be a compliment to the skill of the honourable member in debating, but this is not a debate. I mean, I am trying—it is not supposed to be anyway, but at every turn I have tried to be responsive to the honourable member, and what I am finding is the debate is what is the thing here. Well, fine, I can do that. I mean, I have been around here, I know how to debate, but it is just that, is this what Estimates is all about?

Ms. Friesen: ADAPs. Tell me about ADAPs. That was the question. You did not answer it.

Mr. McCrae: I am not going to be bullied either, you know.

Ms. Friesen: I am not bullying him.

Mr. McCrae: I am a member of this House.

Mr. Chairperson: Order, please. The honourable minister, to continue with your response.

Mr. McCrae: I have rights, too, as an individual person of this House. As a minister, I am earnestly trying to put forward ideas and programming and leadership that will be good for our kids. I expect a little good, healthy discussion about things but, I mean, I am just being berated here today.

I do not know. On behalf of the kids, I do not think it is right. I do not think this is right. I do not think this is fair to the kids. We are not just dropping things. We are trying to do things better. She is talking about the ADAPs. They were not dropped.

Mr. Chairperson: Order, please. The hour being 5 p.m., committee rise.

INDUSTRY, TRADE AND TOURISM

Mr. Chairperson (Ben Sveinson): Will the committee please come to order. This afternoon this section of the Committee of Supply, meeting in Room 255, will resume consideration of the Estimates of the Department of Industry, Trade and Tourism. When the committee last sat, the

minister had completed giving his opening statement to the committee, and I now call on the official opposition critic, the honourable member for Crescentwood, to make his opening statements.

Mr. Tim Sale (Crescentwood): Mr. Chairperson, I will not fill my entire—what is it, four hours?—30 minutes that I have. I would like to congratulate the minister, first, on his elevation to the ministry from the benches. I notice that he has not moved his seating location, but just his status. I congratulate the minister sincerely and wish him well in his new duties, however short they may be in duration.

Also, I would like to pay tribute, although they are not here but they will read it no doubt, to the staff of the department, who, I know, work hard to give advice and to try and work for the strengthening of the Manitoba economy. I know them reasonably well now after being in my position for the last four years. I think that Manitoba is well served by the staff of the department, and I want them to know that we value their work, as I am sure the minister also does.

I want to speak about a couple of basic issues in my introduction, and then we will deal with the detail in the actual line-by-line issues. The first issue I want to address is the issue of trade. The minister quite correctly yesterday cited the very good growth in exports that has taken place in the last approximately eight years that we have data for up to the present moment, from 1990 to 1998, the data I am looking at. There is no question that our total exports have grown sharply during that period of time. However, as the minister and the department usually fail to say, our imports have grown even more sharply, and they have grown for some structural reasons that I wish the department and the government would take much more seriously than it apparently does.

The 1995 election campaign, the Premier (Mr. Filmon) apparently had recognized the seriousness of the problem facing not just Manitoba, but all of Canada. Of course, in particular, it faces our province because we are even more trade dependent than many other provinces of Canada. The Premier, in his

election material for the Conservative Party, made a commitment to reduce the dependence of Manitoba on the United States as an export market.

He obviously made that commitment for a very significant and, I believe, honest reason. That was that in 1995 we were already at the situation where approximately 72 percent of all our exports went into the United States market.

Now, as any economist, and I am not an economist, but as any economist will tell you and particularly a trade economist will tell you, that it is dangerous in the extreme to have excessive dependence on any one market for your exports because, as obviously can happen and has happened historically to us in this province, if the United States economy takes a bit of a dive, Manitoba's economy goes into a tailspin because we are so dependent on the United States as our chief export market.

So the Premier wisely, I think, and correctly identified trade dependence with the United States as a serious issue in 1995, and he committed himself to do something about that as something that he would accomplish in the term of office that is drawing to a close at the present time, hopefully, relatively soon.

He said he would reduce the trade dependence, and, of course, he did not want to lower our exports to the United States. I do not think he wanted us to export less. He simply wanted the United States to represent a smaller proportion of our total exports, and so the implication of that is that exports to other markets in the world would, of course, have to grow, and for his goal to be achieved, they would have to grow more quickly than exports to the United States. Otherwise, the percentage would not shift. We would still be just as vulnerable as we were.

Unfortunately, for whatever reasons—and I would like in our detailed discussion of the Trade Estimates to have the minister and his staff's views as to what the reasons might be—this strategy has been a complete failure on the part of the previous minister, the department, the province and the Premier (Mr. Filmon). In fact, what has happened over the period of time from

1995 to 1998 is that our export dependence has grown from 73 percent to 78 percent, and in the first six months of last year, we were in the alarming situation where the export dependence was over 80 percent. It fell back slightly in the last six months.

What that has meant—and I am sure the minister's staff will confirm all the numbers I am using because they all come from the Manitoba Bureau of Statistics and from federal export/import data—is that our imports from other countries have tripled from 1990, but our exports to other countries have grown by only \$500 million or about 50 percent, less than 50 percent, in that same period of time. The net result of this is that when this government had its first full year in office—it would not really matter whether you went to 1989 or 1990 because the numbers are not much different, but taking 1990—we had a total trade deficit of \$250 million. In 1998, our trade deficit had quadrupled, not just gone up by a few percentage points or even a significant percentage point, but it quadrupled to \$1.51 billion. That ballooning took place particularly since 1993-94, but it is certainly a sharp deterioration.

Our trade deficit with the United States, again, far from shrinking, has gone up by 50 percent, more than 50 percent, from \$986 million to \$1.421 billion. So we are running a trade deficit with our biggest trading partner, and this is merchandise trade. This does not count what would be called the general accounts of the province which would include interest payments and that sort of thing. This is just measurable trade, services and goods. We are shipping \$1.4-billion worth of scarce Manitoba capital and earnings out of our province to the United States to pay for a trade deficit, and in total we are shipping over a billion dollars out of this province for our total trade deficit. Obviously, the minister will understand that means our trade surplus with the rest of the world is about \$400 million; our trade deficit with the United States, \$1.4 billion, a net deficit of \$1.051 billion in 1998.

* (1500)

So I think that in discussion in Estimates, we have to get into some serious examination of

why we are now in a situation where when you examine some American states, quite a few American states, in fact, are less dependent on the United States than Manitoba is, in terms of its exports. Look at California and New York. Look at the midwestern United States. Look at large areas of the American market that are less dependent on their own country, let alone any other country, than Manitoba is on the United States.

It is pretty clear from the trade disputes that have gone on and occupied a lot of our attention—whether it is softwood lumber or pork or durum wheat, it does not really matter much what it is—the United States does not have much interest in living by the spirit of international trading rules. They simply are prepared to be the elephant on the block and to enforce whatever they believe to be in the interests of their economy without much regard to the interests of anybody else.

I suppose that is understandable in a nation-state world, but for us to believe that somehow NAFTA has given us protection, we would have to be arguing that we would be in much worse shape, and, of course, we are in worse shape. So the argument presumably is that, if we did not have NAFTA, we would be in even worse shape than we are now. It is impossible on these numbers to argue that NAFTA has helped us to improve our situation.

Our situation, in fact, has deteriorated over the period of 1990 to 1998, deteriorated from 60 percent dependence on the American market for our exports to 78 percent. That is almost a 33 percent and certainly a 30 percent deterioration in our trade-dependent situation. So we will be raising that question, and I wanted to flag that in particular.

The second area that I wanted to talk briefly about was that I would like to have some discussion, and I am giving the minister notice, so that we will not have to go into a back and forth well-we-will-get-it-for-you process about the data that Manitoba uses to assess its tourism performance, as to why the data that Statistics Canada puts out in Tourist Scope are not the data that are used for Manitoba's determination of tourism activity.

There certainly is a variety of sources of data, but it is interesting to us that Stats Canada is the source for virtually every other nationally measured data that the province uses through its Bureau of Statistics, except in the case of tourism. So we would like to have some discussion of why that is the case.

Finally, Mr. Chairperson, I want to refer to the recommendations of the Manitoba Chamber of Commerce and the Winnipeg Chamber of Commerce and the Canadian Federation of Independent Business, all of whom suggest that governments are not terribly good pickers of winners. All of those organizations argue, both at the federal level and provincially, that governments ought not to be giving direct grant aid to companies, big or small, of any substance.

I do not think anybody has problems with assistance to go and show your wares at a trade fair, but concessionary loans, grants made, forgivable grants, forgivable loans, concessionary interest rates, it appears at least that the entire economic right is agreed that these are bad things. It appears at the same time that this government is committed to doing them. We would like to have some substantial discussion about why it is appropriate to give welfare to companies, while it is appropriate at the same time to take money out of the stomachs of Manitoba's hungriest children, particularly in light of the fact that we have the highest poverty rate in the country and particularly the highest child poverty rate. Given that the minister, I am sure, is aware of the tight correlation between childhood poverty and future economic potential, I am sure the Minister of Industry, Trade and Tourism (Mr. Tweed) is just as interested as we are in relieving poverty, because it clearly is a very costly strategy to have the highest child poverty rate in the nation. It costs us in terms of economic development, it costs us in terms of education, it costs us at the court level, it costs us in education, remediation, services such as those for fetal alcohol syndrome, the services we were talking about in the House today.

So, in light of that fact, that it seems that the government is more committed to corporate welfare than it is to child welfare, I want to start our debate off, just to kind of make it very clear

where we are coming from, with a motion, Mr. Chairperson.

I therefore move, seconded by the honourable member for Dauphin (Mr. Struthers), that the expenditures of the Department of Industry, Trade and Tourism be reduced by \$5 million specifically from appropriation 10.2(b)(3)(a) and that this amount be transferred to the Estimates of the Department of Family Services for the purpose of providing to all low-income Manitoba families the national child benefit supplement.

Motion presented.

Mr. Chairperson: My ruling on that simply is this, that by Beauchesne 951: "It is not allowable to attach a condition or expression of opinion to a Vote or to change the destination of a grant."

So this particular motion is out of order.

Mr. Doug Martindale (Burrows): Mr. Chairperson, I appeal the ruling of the Chair.

Voice Vote.

Mr. Chairperson: The ruling of the Chair has been challenged. All those in favour of sustaining the ruling of the Chair, please say yea.

Some Honourable Members: Yea.

Mr. Chairperson: All those against.

Some Honourable Members: Nay.

Mr. Chairperson: In my opinion, the Yeas have it.

Formal Vote

An Honourable Member: A recorded vote, Mr. Chairman.

Mr. Chairperson: Order, please.

Mr. Sale: He has called for a recorded vote.

Mr. Chairperson: A recorded vote has been requested. We will recess to proceed to the Chamber.

The committee recessed at 3:08 p.m.

After Recess

The committee resumed at 3:37 p.m.

Mr. Chairperson: Order, please. We thank the critic from the official opposition for his remarks. Under Manitoba practice, debate of the Minister's Salary is traditionally the last item considered for the Estimates of a department. Accordingly, we shall defer consideration of this item and now proceed with the consideration of the next line.

Before we do that, we invite the minister's staff to join us at the table, and we ask the minister to introduce his staff present.

Hon. Mervin Tweed (Minister of Industry, Trade and Tourism): Mr. Chairman, I have with me at the table the Deputy Minister of Industry, Trade and Tourism, Mr. Murray Cormack and—

An Honourable Member: Mr. Jack Dalglish.

Mr. Tweed: I know Jack Dalglish. I am just trying to determine what—

An Honourable Member: Director of Finance.

Mr. Tweed: Director of Finance and Administration. I know that the honourable member expressed some concerns in regard to the trade issues, and I wondered if Alan Barber wanted to join us at the table now.

Mr. Sale: We will get to it. We will get to it quickly, but Mr. Barber is always welcome.

Mr. Chairperson: We thank the minister. We will now proceed to line 10.1. Administration and Finance (b) Executive Support (1) Salaries and Employee Benefits \$508,600, on page 101 of the Main Estimates book. Shall the item pass?

Mr. Sale: Have there been any changes in this line in regard to senior staff in the last 12 months?

Mr. Tweed: I am advised, no, there has not been.

* (1540)

Mr. Chairperson: 10.1. Administration and Finance (b) Executive Support (1) Salaries and Employee Benefits \$508,600—pass. (2) Other Expenditures \$71,300.

Mr. Sale: I notice throughout the Estimates that there are quite a number of places where the number for this year is absolutely identical to the number for last year. This would suggest that either last year was not needed or this year there are some minor reductions due to inflation or other cost changes. I know there have been input cost changes in computer services. Paper costs have gone up. I am aware of a number of other supply items that the price of which has not been stagnant, so how are we maintaining exactly the same amount of expenditure? Is service being reduced, or are we finding efficiencies? What is happening here?

Mr. Tweed: I am advised that this is one of the few examples where the costs have stayed the same due to varying costs and increases and decreases in some areas. I think it will be reflected throughout the budget that there are some increases in some lines and decreases in others.

Mr. Chairperson: Item 10.1.(b)(2) Other Expenditures \$71,300—pass.

Item 10.1.(c) Financial and Administrative Services (1) Salaries and Employee Benefits \$738,900.

Mr. Sale: I believe when I looked at the staffing at this branch that there may be an additional staff position. Is that correct? I have not got my staff chart in front of me.

Mr. Tweed: I am advised that there has been no change in staffing. By looking at the numbers for 1998-99, 1999-2000, it shows total salary and employee benefits for 14 FTEs.

Mr. Sale: Perhaps the minister could direct me to the page in the Supplementary Information

that has the staffing line in it. I am looking at page 13.

Mr. Tweed: On page 15, subappropriation at the top, 10-1C.

Mr. Sale: There has been a fairly sharp increase in the salary line then of approximately \$42,000 if my math is correct. What does this reflect?

Mr. Tweed: The increases, as I understand, were for a 2 percent pay increase effective April 1 and also the reduced workweek elimination which added an additional 1.9 percent.

Mr. Sale: Could the minister repeat the percentage addition?

Mr. Tweed: Mr. Chairman, the 2 percent pay increase effective April 1 and the 1.9 percent reduced workday.

Mr. Sale: I beg the pardon of the committee. I was conferring with my colleague momentarily, and I think I heard 4 percent explained. Four percent of 382 million is somewhere in the area of \$15 million. The increase is \$42,000; \$15,000, \$42,000. Where is the remainder?

Mr. Tweed: Mr. Chairman, along with the 2 percent and 1.9, there were certain merit increases that would be included in that total.

Mr. Sale: Would the minister table for the committee's sake the criteria on which merit increases are based in his department?

Mr. Tweed: I will see to that being brought back to this committee.

Mr. Sale: Was that a yes, Mr. Chairperson?

Mr. Tweed: Yes.

Mr. Chairperson: That was a yes.

Mr. Sale: If I am not mistaken again, the increases for those eight staff average slightly more than 10 percent in total. I am very concerned when individuals who are making quite a reasonable salary—I do not say it is excessive but a reasonable salary—are receiving increases of that level of magnitude when the

vast majority of the civil service are being asked to stand still. I am wondering what standard does it play here?

Mr. Tweed: I am advised also that included in that increase is the merit for retaining staff with the information technology abilities and skills and the technology skills. That is part of the merit values that are put on the increases. As I said, Mr. Chairman, I would be happy to ask staff to bring back the listing for the merit increases.

Mr. Stan Struthers (Dauphin): I have a couple questions that I am interested in getting some answers to. It is also an opportunity for the minister to indicate some direction in terms of tourism in the Parkland. I have been in receipt of a letter from the Inter-Parks Tourism Board which is based in Roblin, Manitoba. The chair of the board pointed out several obstacles that their local board has come against insofar as offering tourist opportunities and actually getting some economic benefits for local Roblin, Russell, Grandview communities.

Mr. Chairperson: Order, please. Would the member for Dauphin indicate where he is in the Estimates here.

Mr. Struthers: Same place as the Chair is.

Mr. Chairperson: I do not believe you are. Do you have a page that you are working from?

Mr. Struthers: I do not understand what it is you are asking of me.

Mr. Chairperson: So far we have started out. We moved from 1.(b)(1) to 1.(b)(2). We are on 1.(c)(1) right now.

Mr. Struthers: If I am asking this on an improper line, could the Chair indicate a line in which I could ask this question, maybe at a later time, unless the minister wants to answer the question that I have, but that is up to you, Mr. Chairperson.

Mr. Chairperson: No, that is up to the committee, if they wish to move around. At this point we are on 1.(c)(1).

Mr. Sale: I have no problem with the minister. If the member would like to ask that question, then we can go back. I have no problem with the order.

* (1550)

Mr. Tweed: I guess without having previous agreement or prior agreement, what we had planned because of the staffing and bringing deputy ministers in, we thought we would follow this and, again, if we know the schedule, then I can arrange to have the appropriate people available.

Mr. Struthers: Okay, I will wait my turn like a good representative. When the proper line comes I will ask those questions then. This at least will give the minister some heads up as to where I am going with the question. Thank you.

Mr. Chairperson: I thank the honourable member for Dauphin.

Mr. Sale: Just for clarification, are we still on (c)(1)?

Mr. Chairperson: We are.

10.1.(c)(1) Salaries and Employee Benefits \$738,900—pass; 1.(c)(2) Other Expenditures \$293,300—pass. 1(c)(3) Computer Services.

Mr. Sale: Mr. Chairperson, could the minister describe what computer services are being purchased through this line?

Mr. Tweed: That total figure relates to the internal computer services of the department.

Mr. Sale: Is this basically the desktop, the unified desktop or uniform desktop that was purchased from, I think it is ISM, I am not sure what the—SystemHouse ISM?

Mr. Tweed: Approximately \$25,000 is budgeted for the desktop management. The rest is for the internal management, computer systems management.

Mr. Sale: I am puzzled by the answer. Is it then the case that the computer services are spread throughout the entire set of

appropriations under other headings than Computer Services? The reason I ask that is that we are informed, in fact, we know, as a matter of fact, that the cost per desktop unit is in the order of \$2,800 a year. Everyone has the same system now, and there are far more staff in the department than 10. So I am trying to locate where the SystemHouse contract services are shown in the Estimates.

Mr. Tweed: Mr. Chairman, I am advised that the SystemHouse purchases, indeed, are budgeted in each appropriation, and we can certainly provide that to the honourable member.

Mr. Sale: Mr. Chairperson, I would appreciate if the next time we meet there could be a total for services that are being purchased from SystemHouse pursuant to the desktop. If I can just expand a bit on this, it applies to this line somewhat, but I think only for probably maybe 10 stations or nine stations. I am not sure how many stations are covered here. I think it would be nine or 10. Maybe the minister could answer that, and then I will just move on to the next question. How many stations are covered here?

Mr. Tweed: I think rather than confuse the issue, I would be certainly prepared, Mr. Chairman, to bring the list of detail that the member has asked for.

Mr. Sale: I thank the minister for his response. If I could just then add a couple of other concerns that we have in regard to this contract, the contract is estimated, Mr. Chairperson, to be somewhere between \$25 million and \$30 million a year in total for all government departments, and it is now dispersed throughout government in a way that makes it extremely hard to track the expenditures to SystemHouse pursuant to the contract.

What we have been told by a number of staff from different departments is that SystemHouse has the right under the contract—and we are not disputing the right; we may dispute the wisdom, but not the right—to charge, using a fee schedule, for services over and above the basic desktop support. In other words, if they provide a help function for something not in the desktop contract, they are entitled to bill at a rate agreed to in the contracts, and there are

other services for which they are entitled to bill over and above the base contract.

Our concern is the escalation of this contract's costs particularly now that SystemHouse is in a virtual monopoly provider situation, because we have largely eliminated our government departments' ability to do the services that are now contracted out, partly by giving SystemHouse some of those staff and partly by redeploying or laying off those staff.

So we would like to identify, as completely as possible, the total costs and the costs both for the base contract—some departments were twenty-eight hundred and something; some were twenty-six hundred and something. We would like to also identify the additional bills that have been paid in the past year or are anticipated over and above the base contract, which must be in the Estimates because all departments are using some services that are billed by SystemHouse on a separate basis. That is what we are asking for, Mr. Chairperson.

Mr. Tweed: Mr. Chairman, as stated earlier, we will certainly endeavour to get the information and provide it to the honourable member.

Mr. Sale: Mr. Chairperson, could we then pass this, subject to the agreement that we can come back and discuss it when the information is supplied and the information will come prior to the close of the Estimates?

Mr. Chairperson: The minister has agreed. Item 1.(c) Financial and Administrative Services (3) Computer Services \$110,000—pass.

10.1.(d) Research and Economic Services (1) Salaries and Employee Benefits \$506,500—pass.

Mr. Sale: Here we have a decrease of \$38,000. Could we have some clarification as to the source of the decrease?

Mr. Tweed: Mr. Chairman, I would just refer the honourable member to page 17 where it identifies that we have reduced one full-time employment, one person.

Mr. Sale: I am on that same page. I was wondering if the minister could tell us what the

new different function was and where the staff was transferred to.

Mr. Tweed: I am advised that that person was transferred to the Industry Development Division.

Mr. Sale: Then this does not actually indicate a reduction overall FTE. It is just a transfer.

Mr. Tweed: That is correct.

Mr. Sale: This division, as Mr. Cormack and Mr. Dalglish as well, and certainly Mr. Barber know very well, sort of came into being in a fresh way a few years ago when the department was trying to focus its ability to provide strategic direction for exporters in particular in dealing with trade and international trade. Could we have some clarification as to what the actual results are? Give us some ideas of the outputs of this division that are helping Manitoba companies to be more strategic in their export functions. If Mr. Barber would like to join us, that would be just fine.

Mr. Tweed: I am wondering, Mr. Chairman, if I could invite Mr. Barber to join us at the table.

Mr. Chairperson: Would the minister introduce his staff that is joining us.

Mr. Tweed: The Director of Research and Economic Services, Mr. Alan Barber, has joined us.

*(1600)

Mr. Sale: Let me just clarify for the minister. I have the book, and so I am quite capable of reading what is in the book. What I would like is perhaps a fuller explanation of the kind of products, perhaps an example of something that has been done by the branch that is not policy sensitive that could be shared. I would simply like to know the kind of work that is being done.

Mr. Tweed: I am advised that this group basically develops and advises the department on trade policy and that the examples I think that the member might be looking for could be dealt with better under Manitoba Trade.

Mr. Sale: I am puzzled a bit by the minister's answer. They work in this division. I know they serve the government. I do not mind deferring the question, but I am not clear as to why it would be better asked under Trade, with Mr. Barber here, than it is asked here.

Mr. Tweed: Mr. Chairman, I am advised that this particular expenditure is dealing particularly or specifically to advice given to the department and to myself in terms of, I guess, tangible references or identifications. It would be again a little—I think they do, again, things like work on internal trade agreements. I can read if the member would like. It is just—perhaps I will. What might help is the fact that—

Mr. Sale: If the minister wants to just provide a copy of a partial note at the end of the day or tomorrow, I have no problem with that. I do not want to delay things unnecessarily if that would be easier.

Mr. Tweed: I think just, and I will be very brief, but just to basically, and then if the member suggests that he would like a full document. We have one trade policy staff. He serves on international trade policy issues. Examples would be with Canada, U.S., FTA, NAFTA. We have an economic analysis, and that person, it is a consultant position. It is focused on federal-provincial intergovernmental co-operation activities as well as providing analysis on economic development issues, including urban economic development issues.

We have a person for science and technology matters who works closely with staff on the EITC, the Economic Innovation and Technology Council, serves on the standing committee on science and technology, supports the work of western science and technology ministers and the Canadian science and technology ministers, oversees the Manitoba Centres of Excellence program. Research and informational staff provide research support to the department of economic development through monitoring Manitoba's trade performances and responding to requests for Manitoba trade statistics, charts, and graphs. That person oversees an annual survey of Manitoba businesses which does provide

database information to produce a listing of Manitoba's manufacturing and service capabilities for investment promotion and trade development.

Planning and policy: one person provides support to departmental planning and evaluation processes, assists in the co-ordination of sector planning. Project Co-ordinator I is responsible for planning, developing, and implementing an effective, strategic, and measurable communications program which will convey the department's mandate, initiatives, and achievements to interested economic development stakeholders, including staff within the department. One administrative secretary provides clerical secretary research support. One director provides overall direction and support to the branch activities. In addition, that person serves as the international trade representative for Manitoba under the agreement on internal trade as well as provincial trade representative for the federal-provincial consultations.

Just to finish off, I guess with the question about the measure of performance, the branch is primarily a staff unit and is essentially responsible to requests from the executive of the department. Its performance is measured in general terms by the accuracy, relevance, timeliness and quality of the information and advice that it provides.

Mr. Sale: I thank the minister for that explanation. Does the government department have any specific objectives in relation to changes or amendments, whatever they might be called, to the internal agreement on trade at this point? Are there specific things that the government is working on to strengthen that agreement?

Mr. Tweed: Mr. Chairman, I can certainly get into the specifics, but the agreement did create an obligation to continue negotiations on the issues and it laid out several issues. I can certainly list them for you if you like, but one of them that has been brought to my attention was just the recent conclusion of the MASH negotiations, and there are other issues that were agreed upon at the time.

Mr. Sale: Mr. Chairperson, could the minister indicate what the priorities are for either extensions or clarification of that agreement? The minister, I am sure, is aware there is a major dispute currently between Ontario and Quebec in regard to employment and import-export from Quebec to Ontario and vice versa. There have been in the past impediments in Manitoba in terms of, for example, transit buses, which have caused problems. What are the issues today that you are working on in regard to the agreement on internal trade?

Mr. Tweed: Mr. Chairman, some of the issues that are currently under negotiation would be clarifying the code of conduct on investment; the labour-mobility issues the member has brought up; the procurement of Crown corporations brought under the agreement; and as you have mentioned in regard to the MASH sector, we are hoping that the transit issue will be dealt with under the MASH agreement.

Mr. Sale: Could the minister be more specific about the code of conduct on investments, which is something I referred to in Question Period today and is referred to by all business groups as an ongoing irritant? Yet all provinces feel themselves trapped by each other's practices. Certainly, I know from businesses, who have spoken to us about the level of inducement offered by many American states, it makes it extremely difficult for people to live up to the letter of the AIT and the intention of it. How are we going about this particular thorny issue?

Mr. Tweed: I think we are all aware that there are many issues involved in these negotiations. One of them that has been suggested to me is an example of when a corporation or a company has several operations and makes a decision to consolidate these operations, is there anything that is being put on the table as leverage for consolidation. Spending by municipalities is currently not covered. That is one of the things that we are negotiating as far as we have the provinces agreeing on certain issues but the municipalities choosing to go a different direction. So that is another issue that is being negotiated.

Mr. Sale: Mr. Chairperson, recently the Angus Reid Group was given some assistance in

locating here or expanding its operations here. I know there are other sections in Estimates where this might come up, but this is an example of, essentially, inducement. How does the inducement offered to Angus Reid work under the AIT framework? It seems to me it is in contradiction.

Mr. Tweed: Mr. Chairman, I would hope that we would be able to provide more information when we get under the call centres, but I am led to believe that the inducements that are offered are for new business opportunities, not basically taking one business away from another province or community. I guess that is how the system works and does not interfere with the agreement.

Mr. Sale: Mr. Chairperson, maybe we could clarify that issue. It is a long time since I read the AIT. None of us were planning to be in Estimates this week.

Is the minister saying that there is a clear distinction in the AIT between expansion and relocation, that the AIT only prohibits inducements to relocate but not inducements to locate and expand?

Mr. Tweed: The wording in the code actually does state "relocation."

Mr. Sale: Mr. Chairperson, it is wonderful to have agreements through which Mack trucks can be driven at will. That is, I think, the one thing that could be said about that.

I want to ask the same questions in regard to NAFTA and particularly—the minister perhaps would not recall, but two years ago sidebar agreements were entered into on labour and the environment, which I think the other signatories to NAFTA do not believe are binding, and I do not honestly think we believe they are binding either. Is it the view of the department that the labour and environment side agreements on NAFTA are binding agreements that actually have force and effect under the NAFTA treaty?

Mr. Tweed: I am advised that the side agreements are not formally linked to NAFTA. They are separate, and the obligation in the agreement is basically that if they fail, there is a panel that will review them, and if they have not met it, they will provide them with an action plan to fix,

and if they do not meet those—I guess it would be if they do not comply to the action plan—there is a system where they can be fined.

Mr. Sale: I wonder if the minister has had any opportunity in any of his other lives, before this particular one, to visit the maquiladora corridor in northern Mexico along the American border south of Tijuana, in that area.

Mr. Tweed: No, unfortunately, I am not the world traveller that perhaps the member for Crescentwood is.

* (1620)

Mr. Sale: I regret in some ways to say that I have not been there either. I guess I have seen a fair amount of video and other material from that corridor, but I have not been there. I would like to visit very much.

The evidence seems to be overwhelming that the environmental and labour conditions in the corridor are substandard by virtually any measure, certainly far below American standards, and American standards are higher than Canadian in most areas of the environment. There are many, many documented reports of failure to allow workers to bargain collectively, failure to enforce the most rudimentary of labour laws, whether it is safety issues, whether it is hazardous working conditions, whether it is protection against unreasonable discharge, arbitrary discharge, you name it. The companies that inhabit this corridor are widely believed to have very little regard for either the environment or fair labour practices.

Now, I do not want to get into a debate about the virtues or nonvirtues of unions because this province, through its previous minister, signed an agreement that is essentially in line with the International Labour Organization's, ILO, criteria for fair labour practices, and it signed an agreement that said that it would bind itself to environmental standards that were at least at a reasonable level, and the maquiladora corridor, by any fair assessment, is in flagrant disregard. There are many, many, many documented reports of labour organizers in Mexico being tortured and killed. Those reports

are on ILO's records and have been for a long time.

So I am curious to know whether the minister is aware of whether Canada has registered any complaints that the staff of the department are aware of under the sidebar agreements, particularly with regard to the maquiladora corridor or Mexican labour and environmental practices in general.

Mr. Tweed: Mr. Chairman, I am advised that we have no knowledge of any complaints or issues being brought forward by the Canadian government at this time.

Mr. Sale: Mr. Chairperson, if you examine our trade with Mexico, you will see that it is a relatively small amount, and it goes up and down quite a lot. It is very, very variable.

We do, however, import a good deal of Mexican food, and, certainly, it is difficult to tell what of the manufactured goods that we import, particularly electronic goods, are manufactured in the corridor versus in Mexico or in the United States, because much of what comes out of the corridor is labelled as American. In fact, it is made in Mexico under the corridor agreement, and it is made at excruciatingly cheap wages and excruciatingly bad working conditions and environmental pollution often that we would wince if we saw it. If the minister could see some of the statistics and videos on this corridor, I think we would understand why I would say that.

Has Manitoba any concern about the violations of the sidebar agreements, particularly in the corridor?

Mr. Tweed: We certainly see Mexico as a high priority for our province, and we did have an increase last year in exports to Mexico of 14 percent. We, I am advised, have not had any of these particular issues brought to our attention at this point.

Mr. Sale: Mr. Chairperson, the whole issue of trade, fair trade and protectionism, is a very difficult issue, and it has always been a difficult issue. I am looking at the imports by selected countries and exports by selected countries to I

hope the end of 1998. I think that is what I have got. No, I do not. I have the third quarter.

In any case, what I am looking at is the third quarter. We are looking at a reduction in imports from Mexico of some 38 percent during that time and exports to Mexico during that time, a growth of 26 percent. This bumps up and down. As the minister, I am sure, will see if he looks at some year-over-year comparisons, it is extremely variable. I suspect that is because a lot of what we buy are seasonal agricultural products, and sometimes the Mexican market is the cheap supplier and sometimes California is. So it varies with weather and agricultural imports for the most part.

Essentially, the difference between Europe's view and the NAFTA agreement is the difference between a group of countries that believe in having a labour and social and environmental code to which all members have to belong, and those standards are the same for all in the European Common Market. In the NAFTA situation, we have three different environmental standards that are official standards, plus we have a total abandonment of any concern for standards in the maquiladora corridor. It is essentially the economic dislocation of costs. We give those companies an artificially low cost. Yet they have the same free access to our market as our goods and services or American nationally produced goods and services do.

The NDP and, in general, socialist parties around the world have always supported fair trade. I do not know of a socialist country that has stood against international fair trade. I am talking about western socialist countries. I do not want to get into a big debate about old Communist-failed regimes. That is not the issue, but I want to make it clear that we are not talking about a point of view that does not value fair trade. We value fair trade, but we do not value a situation where countries allow a piece of their country to be used as a cheap base, environmentally cheap from a labour perspective, to essentially hide the costs of production in horrible wages and working conditions for our brothers and sisters in northern Mexico.

* (1630)

I would hope the minister would have the same view because it seems to me that from a Conservative economic perspective this is not desirable either. It may be for different reasons, but it is not desirable to have companies being given artificial subsidies by not having labour standards enforced.

My long-range question, and this is one the minister may want to come back with an answer later about, is: Are our three countries moving in any kind of way towards standards that would be enforced in all three countries that would have at least some level of equivalency, so that the costs for doing business are truly similar in the three countries and that the difference will then be productivity and real advantage as opposed to the artificial advantages of having a labour code and no environmental code worthy of the name?

Mr. Tweed: I agree with the honourable member that we as a province and, I would suggest, as a country do want fair trade. I am led to believe that the actual regulations of the agreements are very similar. It really deals with the enforcements of the regulations, and we have participated in the side deals again to try and bring the enforcement side up to speed. The differences are very few and small. In our minds it seems to be in the actual application of the guidelines.

Mr. Sale: I think that is exactly the point, Mr. Chairperson, that there is virtually no enforcement in that particular area. In fact, there is not just no enforcement, there is active unenforcement, if I might put it that way, that the rights of labour are actively deterred, the rights of the environment are actively ignored. It is not simply a question of gosh, we should hire a few more inspectors. It is a policy to keep that corridor cheap and dirty because it is a great subsidy for exports from Mexico. I know Mexico faces many, many economic challenges, but we are not collectively better off when we engage in that kind of subsidy at the cost of workers and the environment.

I wonder if the minister can tell the committee what current measures are being

taken to deal with the failure to enforce fair labour practices and sound environmental practices, particularly in the Mexican situation.

Mr. Tweed: I am advised, as we had discussed earlier, that we are not aware of any cases that Canada has at this particular time, but apparently the United States has a number of cases that they have directly with Mexico, and they are using the side deals to work on the provisions for enforcement of the regulations.

Mr. Sale: Would the minister undertake to identify, through his staff, the imports coming into Manitoba that are sourced in the maquiladora corridor, and would he—let me clarify for the minister. I am not asking him to bring that information here. I am asking him to undertake to identify the kinds of things that would be coming into Manitoba from the corridor, and would he undertake to become aware of the issues in this area that might bear on the abilities of Manitoba employers, companies and workers to compete fairly against what I believe is unfair trade and competition? To be clear, I am not asking the minister to comment here, to come back with this, but simply as a matter of his own activity, to become aware of this and to raise this issue through his officials at the appropriate quarters.

Mr. Tweed: I can assure the honourable member that I will make myself very aware of this issue.

Mr. Sale: I thank the minister for that. I want to ask a process question. I do want to explore the trade question that I raised in my brief opening remarks. I do not mind if we do it here or under the Manitoba Trade section. I am sure Mr. Barber has much to contribute to that. I do not want to keep him in two different places, so it is really up to the committee whether we do it here or under Trade, and I do not mind.

Mr. Tweed: Mr. Chairman, I am advised if we could do it under the Trade issues, if that would be suitable to the member.

Mr. Sale: 10.1. Administration and Finance (d) Research and Economic Services (1) Salaries and Employee Benefits \$506,500—pass; (2) Other Expenditures \$173,300—pass.

10.1.(e) Manitoba Office in Ottawa (1) Salaries and Employee Benefits \$211,200—pass;
(2) Other Expenditures \$116,400—pass.

10.1.(f) Manitoba Bureau of Statistics (1) Salaries and Employee Benefits.

Mr. Sale: Mr. Chairperson, is Mr. Falk here?

Mr. Tweed: No, he is not. He is away at this time.

Mr. Sale: Again, to the minister: Do you want to defer this until Mr. Falk is here, or do you want to just carry on and deal with it without him?

Mr. Tweed: We could carry on, Mr. Chairman, I think.

Mr. Sale: I have a number of questions in this area, and that is why I asked whether the minister wished to defer. I notice there has been one addition, and that is in the area of the Policy Impact Simulation Model Initiative. Mr. Falk was kind enough to share with my caucus the previous model that was used, and I wonder if the minister would agree to having Mr. Falk and his staff share this new initiative and the new model that is evolving out of that initiative with our caucus and research staff.

Mr. Tweed: Mr. Chairman, we would certainly be glad to provide a demonstration if the honourable member wishes.

Mr. Sale: Mr. Chairperson, I think our research staff would probably appreciate that, and I would certainly so. I thank the minister for that.

I have a concern that I want to raise in regard to the way in which trade is reported. It has to do with the fact that virtually every economist and certainly every economic text that I have ever seen indicate that the underlying issue in trade for any economy is the trade surplus or deficit. Yet the publications of the department certainly provide the data on which you can calculate trade surplus or deficit, but they do not ever comment on it.

I think it is difficult when bureaus of the department or bureaus of any government,

whether it is StatsCan or MBS or whoever it is, begin to comment on data in a way that borders on the political as opposed to the factual.

* (1640)

I think that the minister's job and maybe the deputy's job is to celebrate Manitoba's successes and to be able to be accountable for Manitoba's weaknesses. That is what any government has to do. But I do not think it is the job of the Manitoba Bureau of Statistics to become that kind of a commentator, and I have noticed over the past few years that it is beginning to sound more like a commentator's view than to sound like the kind of dry statistical reporting that we have come to know and love from Manitoba Bureau of Statistics.

I want to raise that concern. The evidence for me is that certain things are not reported on, and the trade balance is a critical item. I am sure the deputy and his economic staff would agree that, from an economic perspective, exports are interesting, imports are interesting. The bottom line is, is there a balance there? Are we running a surplus that we can then use to our benefit, or are we financing a deficit that is costing our economy in terms of capital that is being exported to pay for it? So I wonder why MBS does not ever publish trade deficit, trade surplus, and trade trends in regard to deficit and surplus numbers.

Mr. Tweed: Mr. Chairman, I am advised that this is probably new to being brought to our attention, but I might also suggest that, when we report the numbers, we do show the exports and the imports. The person reading the data can get to that number that he wants, and also, if he chooses to interpret it, it is really up to the individual to in what way he would interpret it.

Mr. Sale: I want to ask the minister to ask his staff to look at what Stats Canada does. I believe he will find that Statistics Canada does, in fact, report surpluses and deficits, both in the merchandise account and the national accounts basis. There are probably half a dozen ways of recording surpluses and deficits in different aggregations of trade, whether it is tourism, whether it is manufacturing, whether it is financial services, or whether it is overall

balance of accounts. I think you will find there are lots of StatsCan reports that do that, but I do not find any in Manitoba. I do not think that is wise, because essentially what you are doing is running the risk of politicizing the bureau that provides data that everybody—government, opposition, ordinary community members, research bodies—all of us use these data and we have to depend on these data being impartial and being complete. So, without criticizing the quality of the work that is done, I want to raise a real concern that we are not seeing the full picture in many of the MBS reports now. I am worried about that trend.

Mr. Tweed: I would offer to the member for Crescentwood (Mr. Sale) that our department will endeavour to check with other jurisdictions in Canada to see how they deal with this particular question and issue. I can advise the member that the reason I understand that Canada shows the deficit or surplus is that Canada as a nation has to finance it if there is a deficit. Therefore, they have to show it through their national accounts.

Mr. Sale: Mr. Chairperson, that is no less true of Manitoba as a province. We essentially finance our trade deficit by the export of our capital, Manitoba capital. It is still Canadian dollars, that is absolutely true, but our economy has a net outflow of dollars to pay for its trade surplus. Otherwise, we would have more money to invest in capital investment in Manitoba; we would have more money to invest in all kinds of things. We do not because we ship that money out to pay for our trade deficit.

Mr. Tweed: Mr. Chairman, I am advised that if we take into account goods and services in the province of Manitoba, we would not show a trade deficit.

Mr. Sale: Mr. Chairperson, I hope that is the case. Certainly, the minister's advice, I am sure it is accurate. Where are the numbers that show that to be the case? They are not in Manitoba statistics, at least not that I am aware of, so if the minister could perhaps at our next meeting bring a report from MBS that shows that overall balance-of-accounts approach, that would be helpful.

Mr. Tweed: Mr. Chairman, I am advised that—and I would agree with the member's earlier statements about reading statistics and numbers that sometimes we all need a little help in deciphering them. I am led to believe that those numbers are in the data, but we will endeavour to disseminate them for the benefit of the member and myself and report back.

Mr. Sale: I appreciate that, and I thank the minister for his answer. I do have another area in which I am equally concerned, and this is an area that staff will remember from last year. It has to do with employment and unemployment. It is the question that I raised last year in regard to the Canada labour survey which is a federal survey, not Manitoba, so I am not blaming Manitoba, but I made the point last year, and I will try to make it briefly again for the minister, that if you do not count Status aboriginal people and Status aboriginal people are the same proportion of every province, then the failure to count them probably will not distort unemployment data that much. It will be wrong for everybody, but it will be wrong by roughly the same amount, assuming the economic conditions aboriginal people face are roughly the same across the country, which is arguably true.

Mr. David Faurchow, Acting Chairperson, in the Chair

The fact that Saskatchewan and Manitoba both have a very high proportion of Status aboriginal people in their workforce means that the failure to include them does significantly distort our unemployment picture vis-a-vis other provinces. The reason is pretty simple that if 10 percent or 15 percent of our province's workforce is aboriginal and not counted, that has a much bigger affect on the bottom-line number than if 2 percent or 3 percent of our province is aboriginal and not counted. That is the case, for example, in Ontario where in Ontario the aboriginal population is about a third of the proportion that it is in Manitoba.

Now, I made this criticism last year, and I want to emphasize to the minister it is not a partisan consideration. I would make exactly the same observation about Saskatchewan. The reason Manitoba and Saskatchewan and, to a lesser extent, Alberta have very low unemploy-

ment vis-a-vis the rest of the country is that we have a much higher proportion of our vulnerable workforce that is not counted. It is not surveyed. I asked last year if there would be some willingness to deal with that issue, to at least address it with StatsCan because it distorts our self-understanding of our own economy.

Mr. Tweed: Mr. Chairman, I certainly listened and accept the member's comments as something that we can, as provinces and working with the federal government, continue to work and advance the case of how the reporting should be presented to the people.

* (1650)

Mr. Sale: Mr. Chairperson, could the minister indicate specifically at what meetings, via what correspondence or using what processes this concern was raised in the past year by his department to the federal government, and would he table that information?

Mr. Tweed: I would ask the honourable member if he would allow me to ask Mr. Falk to present us with that information, and I will bring it back to committee.

Mr. Sale: Would the minister also ask Mr. Falk or whoever in his department would be the appropriate person to provide an estimate of the unemployment among status aboriginal people based on whatever sources of data are available and recognizing that these data may be softer than the labour force survey data, but at least an approximation?

Mr. Tweed: I will endeavour to find whatever information that we have available to us and bring it back to committee.

Mr. Sale: At the same time I am being critical about these two very important issues, I want to compliment the bureau on the timeliness of its data and the introduction of the website that is I think developing very well and I think is a real boon to people who are wanting to source data quickly, because, increasingly, it is hard to find human beings at the other end of phone lines. At least on the Internet you can find what is available and then if you still do not have it, you

can try and find a real live human to ask a question of.

I will say that Mr. Falk is incredibly accessible and I appreciate that very much. I know that I can phone him and ask a technical or a stupid question, and they are usually about in the same percentage on my part, and he is always patient and he is always accessible, and I would want to ask the minister if he would pass on that support that I have for the work of the bureau.

Mr. Tweed: I, too, would echo the comments of the honourable member. I have read Mr. Falk's reports as the sitting MLA for Turtle Mountain, and now that I have taken on new responsibilities, I can attest that the information that he brings forward is always good and accurate and prompt. I would be more than happy to pass on, on behalf of all of us, the good work that is being done by that department.

Mr. Sale: Mr. Chairperson, on the understanding that we will come back with information during the Estimates process, I think we could move through this.

The Acting Chairperson (Mr. Faurshou): All right, very good. Item 10.1(f) Manitoba Bureau of Statistics (1) Salaries and Employee Benefits \$664,300—pass; (2) Other Expenditures \$256,000—pass. (3) Less: Recoverable from other appropriations (\$60,000).

Mr. Sale: I ask this question every year and I forget to write it down, but I have my pen in my hand. What appropriation does this come from, Mr. Chairperson, and what is the nature of the recovery?

Mr. Tweed: I am told that it is for the sale of publications and for the other work that the bureau does for other departments within government. The sale of publications.

Mr. Sale: You learn something every day. So are we actually recovering this then from what used to be Queen's Printer? They are paying you fees, or are these recovered directly into the department?

Mr. Tweed: Just as an example, if he were to use that simulator project with another department, there would be some cost recovery for that.

Mr. Sale: So this is an estimated net figure then. It is not a specific transfer from a specific appropriation.

Mr. Tweed: Yes, Mr. Chairman, that is correct.

The Acting Chairperson (Mr. Faurshou): Item 10.1.(f) Manitoba Bureau of Statistics (3) Recoverable from other appropriations (\$60,000)—pass.

Item 10.1.(g) Grant Assistance - Manitoba Horse Racing Commission \$164,500—pass.

Mr. Sale: Mr. Chairperson, why do we not call it five o'clock, given that there is probably some other staff and it is three minutes to?

The Acting Chairperson (Mr. Faurshou): We have a request that it be called five o'clock. Do I have unanimous consent?

An Honourable Member: No.

The Acting Chairperson (Mr. Faurshou): We do not.

Mr. Kevin Lamoureux (Inkster): I also believe, Mr. Chair, you are going through the lines.

Mr. Sale: He is just not giving consent to calling it five o'clock.

Mr. Lamoureux: Just keep going.

The Acting Chairperson (Mr. Faurshou): We are now proceeding to item 2.(a) Industry Development – Consulting Services. Line (1) Salaries and Employee Benefits \$2,338,000.

Mr. Sale: Mr. Chairperson, this is an area in which we have a fair amount of concern about the specific grants, particularly under (b), but under (a), I am wondering whether there have been any changes in structure or duties in terms of the consulting services of the department in the past year.

Mr. Tweed: The only change that I am aware of in the structure is that we have moved a person from research into the consulting services.

Mr. Sale: I note that the increases here in a professional-technical area are much less than the increases in the other area that we discussed earlier which were in the order of 10 percent. The increases here, although it is difficult to calculate them exactly with the additional FTE, would be probably in the order of 5 percent, 4.5-5 percent. What is the difference here?

An Honourable Member: That ought to get us to five o'clock.

The Acting Chairperson (Mr. Faurshou): The hour being five o'clock, stand adjourned. Committee rise.

HEALTH

Mr. Chairperson (Marcel Laurendeau): I call the committee to order. I would like to remind members of the committee that debate on the Minister's Salary, item 21.1.(a), is deferred until all other items of this department are passed. At this time we would invite the minister's staff to take their places in the Chamber.

Is the minister prepared to introduce his staff present at the committee at this time?

Hon. Eric Stefanson (Minister of Health): Mr. Chairman, to my left is Mr. Tom Carson, our deputy minister of Health, and to my right is Ms. Susan Murphy, our assistant deputy minister in charge of Internal Programs and Operations.

Mr. Chairperson: The committee is item 1. Administration and Finance (b) Executive Support (1) Salaries and Employee Benefits on page 46.

Mr. Dave Chomiak (Kildonan): Mr. Chairman, in discussions I have had with the minister, we have talked about spending the next period of time on some general areas, general questioning, and I intend to commence that today.

I would like to commence with, because I have a history in this, the organization chart that is dated April 1, 1999, and I do note that, at least as far as I am aware, most of the positions and the structure that I am aware of are at present. Since for the last couple of years we have had new organization charts brought into the Estimates process, can the minister indicate if in fact this is an accurate depiction of the organizational breakdown and structure of the Department of Health?

Mr. Stefanson: I think I understand the member's question. This chart that is dated April 1 in our supplementary Estimates, is this chart an accurate organizational chart of the Department of Health, both at that point in time and as of today? The answer is yes.

Mr. Chomiak: Mr. Chairperson, I appreciate the response. Just by way of background, I can indicate to the minister that the last three years there has been an updated chart that has been brought in at the Estimates process, and so I have always wanted to work off of the most accurate chart.

Generally there has been a fair amount of restructuring in the department in the last few years. Some of it, I in fact indicated to the previous minister that we heartily approved of in terms of structure.

Can the minister table the information with respect to the WHA, each regional health authorities with respect to the members of the board, their structures and the salary levels for all of the various regions? I am, of course, not asking for it today, but can the minister undertake to table all that information; that is, with respect to all the regional authorities, the members, the remuneration paid, not just the board members but the corporate structure of each of the organizations?

Mr. Chairperson: The honourable minister—and you may want to introduce your other staff who are present at this time.

Mr. Stefanson: Mr. Chairman, joining me, as well, as I think is known to most in the House, associate Deputy Minister Sue Hicks in charge of External Programs and Operations.

In terms of providing the member with the list of members of all the regional health authorities, yes, I will provide that. In terms of providing the corporate or the organizational structure of each of the RHAs, yes, I can provide that. In terms of providing remuneration for board members, I can provide that. I think in terms of remuneration—if it is acceptable to him—for employees of RHAs, we do have The Public Sector Compensation Disclosure Act which requires disclosure of salaries in excess of \$50,000, I believe, and all of the RHAs will be incorporating that, either in annual reports or in separate documents that are audited.

So I can certainly undertake to provide that if that is the kind of information he wants. I believe I can provide everything that he has asked for, Mr. Chairman.

Mr. Chomiak: Mr. Chairperson, I thank the minister. That would be quite acceptable. Generally, during the Estimates process, the department provides an update of the various departmental committees that are ongoing and studies with various information outlining composition, et cetera. It is a fairly standard document, and I am sure the minister's staff is aware. I wonder if we could have that tabled as soon as possible, as well.

Mr. Stefanson: The honourable member is certainly correct that I gather this is done every year, that the make-up of the committees, the people on the committees is tabled, provided to the member opposite. I have that information ready for my review which I will do in the next day or two, and I will certainly make that information available to the member.

Mr. Chomiak: Mr. Chairperson, last year during the Estimates process, as well as in the House most recently, we asked for an updated business plan for the Urban Shared Services Corporation. I am wondering if the minister can undertake to provide that, as well.

* (1500)

Mr. Stefanson: Mr. Chairman, joining me as well now is Mr. Jim McFarlane, our assistant deputy minister in charge of Insured Benefits, Pharmacare, Corporate Services. So, if you look

at the organizational chart, you can see now that I have the top four officials within the Department of Health joining me to assist me to answer the question from the member for Kildonan (Mr. Chomiak).

On Urban Shared Services, we have had a number of questions about this in this Legislature over the course of the last few weeks. First of all, there is the issue of their year-end statements, which I know the member did not ask at this point in time. They have released some preliminary unaudited results. The auditors, I believe, are in there now. Once their audited statements are complete, those are certainly available, Mr. Chairman.

The member for Kildonan or his Leader has also asked me about the issue of the contracts. As I have indicated to him in this House, I have communicated with the Urban Shared Services about the release of contracts basically applying the same criteria as we would apply within the government of Manitoba in terms of making contracts available. I expect to be able to respond to him on that very, very shortly.

The other issue that he and his other colleagues have raised is this issue of the business plan. I have indicated in this House that the Urban Shared Services Corporation is in the process of preparing a revised business plan, Mr. Chairman. I have not received that at this particular point in time. I certainly expect to receive that very shortly.

Now I understand a similar question was asked last year, and I believe that information has not been provided to the member for Kildonan, Mr. Chairman. I obviously will have to look into the entire issue as to the reasons for that.

Mr. Chomiak: Can the minister indicate whether he will be tabling a five-year capital plan or an additional capital plan in addition to what has been provided with respect to the supplementary Estimates?

Mr. Stefanson: Mr. Chairman, no, I do not have a five-year capital plan to provide the member. That is in large part because of the process we now go through. As I think the

member knows, we have a great deal of input and discussion with the regional health authorities. In fact, the regional health authorities themselves go through all of their capital requirements. They provide us, the Department of Health, with a summary of those correct capital requirements. In fact, they also prioritize those capital requirements from their perspective as regional health authorities. The Department of Health then goes through that with them and ends up with a capital program for the upcoming year. So we certainly have information from the regional health authorities in terms of what they see as some of their medium-term capital requirements, and we will be meeting with them again starting very shortly in terms of working on their 2000-2001 capital requirements.

So, again, there certainly are a lot of projects that are under review by the RHAs, by the regional health authorities, by the department, but at this particular point in time there is no five-year capital plan to put before this House. In many ways, I do not think that is a bad thing. As much as we have the projects before us to consider, I think the one advantage of doing your actual capital budget on an annual basis in terms of a specific document that you put out there is that it certainly then signals very clearly that those are your commitments and those are the projects that are going forward, Mr. Chairman.

Mr. Jack Penner, Acting Chairperson, in the Chair

Mr. Chomiak: Can the minister indicate whether there is any kind of planning document with respect to capital that is a multiyear planner of a rolling nature that can provide the House and us with information with respect to not just the short-term yearly plan but in terms of the mid-term and even long-term plan in terms of project needs and requirements?

Mr. Stefanson: Well, Mr. Chairman, I certainly will review what information I am able to provide the member. The way I understand this specific question, I think he is looking for any kind of an indication or a planning document or an informal planning document that looks ahead towards future capital requirements. As I have indicated to him, we have now had one year of

health authorities in Winnipeg, we have had two years of health authorities outside of Winnipeg, and we do work very closely with them in terms of what they define as their capital requirements and what we see as the needs in different regions of the province.

I am certainly prepared to go back to those listings and determine what information we might be able to provide the member as a result of that. I think an important reminder for us whenever we talk about capital—and I know the member opposite, in spite of some of his criticisms sometimes, can identify with this. That was probably one of the problems with a five-year capital program, was many projects were approved in principle. They were approved for different elements along the path of ultimate construction.

Some were in principle, some were in design, some were waiting to be designed and so on, and while on the one hand it gives you a five-year document you can look at, on the other hand, it certainly does create expectations. It does a number of things, and, again, I think we do recognize that while it can be a useful planning document, sometimes situations change in individual communities and individual regions and so on, Mr. Chairman. Of course, whatever you announce today on a capital project, usually there is a little bit of time before you are actually in the ground or under construction for obvious reasons, because of the design, the architectural and so on.

But, if I understand the question in terms of a go-forward, of what else is out there that we might need, or regions want, in terms of capital over the next period of time, I am certainly prepared to go back and look at the listings and the requests from RHAs and determine what would be appropriate information to provide the member.

Mr. Chairperson in the Chair

* (1510)

Mr. Chomiak: Mr Chairperson, I will accept the minister's comments, and I appreciate his comments on that. I look forward to receipt of the information he is going to provide. Recently

the Department of Health put out a document which outlined the completion dates for all the personal care home projects that have been announced to date. I wonder if we might have an update. I am not asking for it today, but can the minister provide us with an update as to the completion dates for all those projects?

Mr. Stefanson: I am certainly prepared to provide that information. Again, the way I understand it is a summary of all of our personal care home projects with basically their current status, whether or not they are in design, in construction, if not in construction, when do they go to construction and when are their targeted completion dates. I believe that list now totals on a gross basis about 1,300 to 1,400 beds; on a net basis about 850 net new personal care home beds, and I am certainly pleased to provide that information to the member.

Mr. Chomiak: We would appreciate receipt of that information. Can the minister also, which has been common now, provide for us a list of the bed status of both acute, personal, and there is a general pattern that we have adopted in the last few years throughout the province last year and this year in terms of the number of beds?

Mr. Stefanson: Mr. Chairperson, I understand that is what is called the bed map that is provided every year to the member opposite. Again, also I understand, it is ready for my review, and I expect I will be able to provide the member with a copy of that very shortly outlining the status of acute care beds, personal care home beds and basically our health care beds throughout the province of Manitoba.

Mr. Chomiak: As well, the department usually provides a listing of grants that are provided to other organizations. Would that also be forthcoming?

Mr. Stefanson: Yes, that too is available. If we are in Estimates tomorrow, I certainly expect I can provide that tomorrow.

Mr. Chomiak: Thank you, Mr. Chairperson. Is there a vote taking place?

Mr. Chairperson: You can carry on until the member comes in. When the member reports to

the House—oh, he is coming in now, so if you want—

Mr. Chomiak: Yes, I did not want to get down on a different road and then be interrupted.

Report

Mr. Ben Sveinson (Chairperson of the section of the Committee of Supply meeting in Room 255): Mr. Chairperson, in the section of the Committee of Supply meeting in Room 255 considering the Estimates of Industry, Trade and Tourism, the honourable member for Crescentwood (Mr. Sale) moved a motion to reduce the Estimates of the Department of Industry, Trade and Tourism.

The motion reads as follows: I move, seconded by (the honourable member for Dauphin (Mr. Struthers), that the expenditures of the Department of Industry, Trade and Tourism be reduced by \$5 million specifically from appropriation 10.2.(b)(3)(a) and that this amount be transferred to the Estimates of the Department of Family Services for the purposes of providing to all lower income Manitoba families the National Child Benefit Supplement.

Mr. Chairperson, this motion was ruled out of order. The ruling of the Chair was challenged and was sustained on a voice vote. Subsequently, two members requested that a formal vote on this matter be taken.

Mr. Chairperson: Order, please. A recorded vote has been requested from Room 255.

Formal Vote

Mr. Chairperson: Call in the members.

Order, please. In the section of the Committee of Supply meeting in Room 255 considering the Estimates of Industry, Trade and Tourism, the honourable member for Crescentwood (Mr. Sale) moved the motion to reduce the Estimates of the Department of Industry, Trade and Tourism. The motion reads as follows:

THAT the expenditures of the Department of Industry, Trade and Tourism be reduced by \$5

million specifically for appropriation 10.2.(b)(3)(a) and that this amount be transferred to the Estimates of the Department of Family Services for the purpose of providing to all low-income Manitoba families the National Child Benefit supplement.

This motion—

Some Honourable Members: Oh, oh.

* (1530)

Mr. Chairperson: Order, please. This motion was ruled out of order. The ruling of the Chair was challenged and was sustained on a voice vote. Subsequently, two members requested that a formal vote be taken.

The question before the committee is shall the ruling of the Chair be sustained.

A COUNT-OUT VOTE was taken, the result being as follows: Yeas 29, Nays 22.

Mr. Chairperson: The ruling of the Chair has been sustained. The members may return to their respective committees.

HEALTH

(Continued)

Mr. Chairperson (Marcel Laurendeau): The committee dealing with the Estimates of Health will now come to order. The honourable member for Kildonan had the floor.

Mr. Dave Chomiak (Kildonan): Mr. Chairperson, just changing the flow a bit, perhaps the minister can use this opportunity to clear up some confusion that has arisen today as a result of the issue that was raised today in Question Period concerning the doctor at the Child Development Clinic.

Now, the minister indicated in the hallway that he was advised by the Winnipeg Regional Health Authority that, in fact, there was a funded position available for a physician to fill the position. Can the minister confirm that fact?

Mr. Edward Helwer, Acting Chairperson, in the Chair

Mr. Stefanson: If I understand the question correctly, just to clarify, the head of the Child Development Clinic has given notice that she is going back for additional education to become a child psychiatrist, I believe, and the WHA will be taking immediate action to fill that position. They have the resources to do that and certainly have our support to do that, and senior officials from the Department of Health have been in contact today. Again, the information for the member opposite is that that position will be filled as soon as possible.

Mr. Chomiak: Let me pose the question to the minister then. I had occasion to speak with the mother of one of the children who was treated there—in fact, made herself available today. She indicated to me that she was aware of the fact that this doctor was leaving in January, so it relates somewhat to my comments yesterday in the Estimates process. If the parents were aware in January that the physician would be unavailable and the issue was raised today—now, I appreciate the minister has now said that as soon as possible that position would be filled—what kind of planning process is in place to deal with the contingency or the eventuality of perhaps no doctors being available? How do the system and the process work to ensure that we are not in a situation where we would be without physician services as opposed to being proactive in ensuring that there is continuity?

* (1540)

Mr. Stefanson: I am certainly prepared to get more information for the member opposite, but it does not appear to be as much of a planning issue as a communication issue, and if it were a planning issue, I would share the very concerns that he has outlined, the timing in terms of becoming aware in January, and so on.

I am told that they have a person in mind and in place to bring in, at least on an interim basis, while a permanent decision can then be made on a go-forward basis in terms of the position. So again the information that I have is that people have been aware of this, steps have been taken to be sure that the position is filled when this person does leave to go to further her education. I do not have those dates at this particular point, when she is actually leaving, but

I am told that there is a person to go into the position at this stage on an interim basis.

Mr. Chomiak: I appreciate the comments of the minister. The minister said in his comments that a decision would be made on a go-forward basis. Can the minister define what he meant by that? Is he implying that there may not be a permanent position filled, or was he implying something else?

Mr. Stefanson: The position is a permanent one, and I do not want in any way to leave the impression that the position will not be filled on a permanent basis and going forward. What I was alluding to is I need some more information as to whether or not the current incumbent, who is going back to take further education, is intending to come back into the system, which then would mean the requirement to do something on an interim basis, or whether the person, as a result of getting further education, is changing careers and so on. So I know I am told that there is a person to fill the position on an interim basis to lead towards a more permanent decision in terms of what individual fills that position, but the position itself is not in doubt. It is a permanent position and will be a permanent position on a go-forward basis.

Mr. Chomiak: Last year during the course of Estimates the minister provided us with statistics in terms of departmental employees that were still being employed by the Department of Health and those that had moved out to other sectors, et cetera. I wonder, not today, but at some point we could have an update as to the number of employees of the Department of Health, where they are located, the number that have been moved in the last year, and the plans for the future allocation of employees within the Department of Health.

Mr. Stefanson: Mr. Chairman, I will certainly undertake to provide that information. I think, as the member knows, a number of our staff that were more directly involved in the service delivery side of the Department of Health are now employees of various organizations and primarily the regional health authorities in terms of providing those services, so I am certainly prepared to provide that information to the member.

Mr. Chomiak: Early in the day, the minister made an announcement about expenditures of about \$29 million. Now, \$1.5 million was allocated, as I understand it, for operating purposes, and if I understand it correctly—and I stand to be corrected, because I am reading from the press release—\$27.5 million, in one form or another, is capital. Am I correct in that understanding?

Mr. Stefanson: Mr. Chairman, I am pleased that the member for Kildonan was able to join me today at another announcement that is very important for health care in Manitoba. Basically, what he has outlined is correct; \$1.5 million of the money announced today are really the operating dollars provided to reduce the waiting lists for MRI diagnostic testing.

The other \$27.5 million are dollars that are allocated to capital purchases in the whole area of equipment. Really, that \$27.5 million has two components: it has a component that totals about \$8.5 million that is listed in the information press release that the member referred to, and that money is allocated to the various regional authorities basically to use as they see fit for basic health care equipment.

The remaining \$19 million is used for specialized equipment that supports programs on a more broad base, provincial programs and so on. That is why a couple of examples were given in this release where decisions have already been made to provide some capital dollars for a CT scan for the Burntwood RHA, to provide some ultrasound equipment for the Health Sciences Centre, and to provide some additional specialized radiation therapy equipment for the Manitoba Cancer Treatment and Research Foundation.

* (1550)

Mr. Jack Penner, Acting Chairperson, in the Chair

Those three acquisitions, obviously, do not total \$19 million. There are still dollars available to allocate to other specialized equipment requirements, based on information and submissions put forward to Health by all of the health authorities that we then go through, and

by working in conjunction with them, prioritize what are our greatest needs in the whole area of specialized equipment.

Mr. Chomiak: Mr. Chairperson, while I recognize that the \$27.5 million in capital can be allocated to different functions by virtue of it being directed towards different regional health authorities, can the minister point to me where in the appropriations the \$27.5 million in expenditures is contained?

Mr. Stefanson: Mr. Chairman, I would point to page 89 of the Estimates of Expenditure, appropriation 21.6 Capital Grants. If the member has his Estimates open on that page, he will notice under Acute Care, Equipment Purchases and Replacements totalling \$16.2 million; he will notice under Long Term Care, Equipment Purchases and Replacements totalling \$1.2 million. Those two total about \$17.5 million. We also then basically finance the additional \$10 million through borrowing. It is then basically paid for through our principal repayments over time, so it is financed through the borrowing side of the capital requirements. Those two components equal the \$27.5 million that was referred to in today's announcement.

Obviously we will be able to get into that, certainly, in further detail, when we get to this section or if the member has any further questions today in terms of information, we can bring back to this House.

Mr. Chomiak: Mr. Chairperson, can the minister indicate how that compares to last year's capital equipment purchase appropriation?

Mr. Stefanson: The member will notice, if he looks at those two lines that I referred him to on page 89, that the budgeted amounts are very similar, just over \$16 million under acute care and just over a million under long-term care, and last year we also provided \$10 million for equipment purchases through debt financing.

So the total amount is very similar, but I think what is important to point out is really it has been the last two budgets that that allocation has been increased by \$5 million as a result of money taken out of our Capital Initiatives

allocation of what was \$50 million last year and \$55 million this year.

So, again, in these last two budget years we have been able to enhance the allocation in this area of the equipment requirement.

Mr. Chomiak: I think the minister made the point—I was asked by several media people as to what the point of the announcement was today. My response was really the announcement was a \$1.5-million allocation for operating, for MRIs, as opposed to the normal capital equipment purchases that occur every year in the budget, and notwithstanding the minister's point that there is an additional \$5 million in the last several years as a result of the reallocation of the principal payments, I guess the point is that this happens every year.

There is generally not a press conference every year to announce it, because the point can be made if all of that money went to the diagnostic equipment this year, what is not being funded this year that was funded last year?

Mr. Stefanson: Interesting question. I am not sure what the member is concerned about here, but I think what is important to point out is if you look at our capital announcements, if you go back last year when the Health capital, I believe, was the same day as the budget, our Health capital included our building capital and our equipment capital, all outlined at the same time. The member for Kildonan (Mr. Chomiak) will recall because he joined me this day as well, which again I appreciate, when we announced our capital program, the \$123-million capital program at the site of Concordia Hospital where there is a new I believe 120-bed personal care home facility under construction. I made the point of outlining that day, I thought very clearly, that the \$123 million was for the facility capital development across Manitoba and that there would be a further allocation and announcement of the equipment, which we do every year. We do make an allocation to equipment every year.

As I have already indicated, last budget year that equipment allocation was increased by \$5 million. That \$5 million carries forward again, so I did make it clear that day that we would be

coming forward with our announcement on our equipment allocation. That is really what we did today: we outlined, obviously, the gross amount of 27.5. We outlined roughly \$8.4 million that goes directly to the RHAs so that they have all of those details. We also outlined a few of the projects that are coming out of the \$19 million, and certainly the regional health authorities now are well aware that there are some resources available there for us to continue to work with them to provide some of the specialized equipment needs across Manitoba.

So really today's announcement had two focuses. Certainly it was very important the operational dollars. This is the first time it was indicated that there was an additional \$1.5 million of operating dollars to reduce waiting lists for MRIs. It also was in keeping with exactly what we said several weeks ago that we would be coming forward with an announcement on the equipment capital purchases and that is really what took place today.

* (1600)

Mr. Chomiak: My attempt is only an attempt at education of the public in terms of actual—media questions came to me that actually I am sure the minister got them saying: you mean you are spending an additional \$29 million for improving MRIs and other diagnostic services. Certainly, if one reads the press release, one certainly would get that impression.

I just wanted to clarify, in fact the clarification that I have given to several members of the media, that in fact every year there is a capital equipment allocation in the appropriation of the budget. This year that capital equipment announcement has been made and tacked onto it is a \$1.5 million additional application for operating for the MRI, and it has been packaged together as a \$29 million—I mean one could have made the same announcement last year. The announcement would have been there is a \$17 million or \$18 million plus whatever was allocated for the additional operating MRI last year, or the previous year one could have said there is a 10.9, there is a \$12.3 million equipment purchase.

I guess my original question was this is an ongoing exercise. The impression might be left

that there are all kinds of new equipment that has been operating as a result of this year's announcement. Notwithstanding there have been several announcements of the additional MRIs, there is nothing really new in this announcement other than the \$1.5 million.

Mr. Stefanson: Again, I am not quite sure what point the member is making. I think I understand what point he is making. I certainly did not get any of those questions that he got in terms of whether or not this was incremental money or money at the same levels as the previous year. I also have the news release in front of me, and I have read it again. It talks about 27.5 has been allocated to purchase new and replacement medical equipment, while the waiting list for MRI scans will be significantly reduced with \$1.5 million in increased funding.

As I have indicated, certainly when we had our previous capital announcement, it was made clear we would be coming back with an announcement on equipment capital. There is a correlation that through this 27.5 that we have allocated, that is obviously where we are using the money to buy more CT scans, whether it be in Dauphin, Thompson, Morden, Winkler, or here in Winnipeg. That is where we are buying more echocardiograms. That is where we are supporting initiatives like the expansions of MRI equipment and so on. It comes from that allocation which is a very significant allocation to equipment, and it was increased in last year's budget by \$5 million. We were also able to keep it at that same amount this year. So there is a correlation between the equipment that provides the service and the fact that we are providing more operating dollars in one area. We certainly had correspondence on issues like MRIs and CT scans, and it certainly is relevant to be announcing that.

Again, the member was there, so he heard from Mr. Gordon Webster, the CEO, I believe, of the Winnipeg Hospital Authority, and he talked about various pieces of equipment and services, whether it be CT scans. He outlined very clearly the significant reductions on waiting lists for CT scans. I think he talked about bone density testing and the significant reductions. He went through a few examples where waiting lists have come down very, very significantly in

Manitoba in the last year or so, where today Manitoba's waiting lists rank extremely favourably with provinces right across Canada. The one area that we still felt was unacceptably high for elective procedures, not for emergent or urgent but for elective, was this area of MRIs, and we were able to announce an additional \$1.5 million today.

So there certainly is a correlation between the equipment purchases and the operating side. I guess the member is telling me that I should have gone out twice. I guess what he is telling me is that I should have gone out just today with the MRI announcement of \$1.5 million. Then you could have joined me tomorrow at a separate announcement of 27.5. I thought I would save him a trip and try to save some of his gas money and his time and be more efficient and combine the two operations at once because really there is a correlation. Obviously, this is where we are able to acquire those pieces of equipment that reduce the waiting time for diagnostic services.

Mr. Chomiak: Mr. Acting Chairperson, I would do anything I could to help ease the workload on the minister, but I am sure that the minister does not need any input from me in terms of future announcements that are coming down the stream in the next little while.

Can the minister indicate in this year's budget how much money has been allocated to the SmartHealth initiative and how much in total has been appropriated towards the SmartHealth initiative, that is through the HINC corporation?

Mr. Stefanson: The reason I am taking a few minutes is the section that this comes under, again, is on page 89. I mean, it is section 21.7, if the member is on page 89, and he will see it is the Amortization of Capital Assets. The amount in this year's budget year is \$1,326,000. If he looks at the previous year, it was \$71,000. That is the amortization, the depreciation of the asset, which will be done over a period of time. It varies depending on the nature of the capital investment, whether it is hardware, software, whatever it might be. The reason I was trying to take a few minutes is to see if I could very quickly give him the gross investment side that drives this kind of an expenditure. I do not have

that readily available. I can either return with it in the next day or so. Certainly this will be the section that I would expect that we will get into a detailed discussion on SmartHealth and the Health Information Network, when I will have the people from that section here with me.

Mr. Chomiak: I appreciate, and I tend to try to go under line items, but I am actually working towards a larger purpose, although it may not be apparent in terms of the general questions here. So if the minister at a future point can bring me the gross, I think it is \$36 million. I stand to be corrected. I thought it was \$36 million. I am going from memory. But I will await the minister's reply to that.

The minister announced a \$7.2 million, I believe, fund for nursing retention and recruitment. Is that included in its whole in this year's appropriation, and where is it?

* (1610)

Mr. Stefanson: The member is correct that we announced the establishment of a \$7-million nurse recruitment and retention fund which has a six-person committee to administer those dollars. Two representatives are designated by the Manitoba Nurses' Union. I believe they are Maureen Hancharyk and Irene Giesbrecht. Two representatives are being designated by the employers, and two representatives are being designated by the government. Sue Hicks is one of the two.

That money has already been set aside from the 1998-99 appropriation. So the \$7 million has actually been transferred into a trust account being administered by the Winnipeg Hospital Authority. So the funds are in this trust account as we speak. This committee will obviously administer the utilization of those funds and have access to those funds for all of the kinds of initiatives that we have talked about, whether it is recertification, retraining, paying moving expenses to return to Manitoba, a number of initiatives that that committee will be addressing to retain and to bring more nurses into the system here in Manitoba.

Mr. Chomiak: Can the minister indicate under which appropriation that transfer of funds took place?

Mr. Stefanson: I just want to be clear for the member. I think he heard me and understood me that the funds have already been set aside from the old year, '98-99, and they came out of what would have been appropriation 21.5 if he were to go to last year's Estimates book. If he were to look at this year's Estimates book, 21.4, Mr. Chairman, is the account, but the funds were set aside in 1998-99 from the Health Services Insurance Fund, which was account 21.5 in last year's detailed Estimates book.

Mr. Chomiak: Mr. Chairperson, 21.5. under the old Health Services Insurance Fund in last year's appropriation book consisted of five parts. I would assume that the \$7 million that was allocated came under Funding to Health Authorities, appropriation 21.5 (b). Would that be correct?

Mr. Stefanson: Mr. Chairman, yes, the member is correct.

Mr. Chomiak: So last year in '98-99 roughly \$7 million was allocated under 21.5 (b) for the purposes of this trust fund that has been set up. Has anything been allocated in this year's budget?

Mr. Stefanson: The \$7 million is the establishment of a fund, to be accessed by this management committee. So at this particular point in time, \$7 million has been set aside in that fund. They are to address a number of issues to keep nurses in the system and bring more nurses into the system. We discussed those on various occasions relative to retraining, recertification, paying for moving expenses, a number of ways to support keeping and bringing nurses into the system. Certainly the mandate for the committee is that their overall objective is to keep nurses in the system and bring them into the system, and they have a degree of flexibility in terms of continuing to come up with ideas to accomplish that overall objective. So the fund was established in 1998-99 with \$7 million, so there is no allocation to the fund in 1999-2000 because right now we have \$7 million available for those very purposes.

I think what is important for the member to recognize is, first of all, he can see the significant increase in the overall Health

Services Insurance Fund allocation, budget to budget, on page 87 of the detailed Estimates. As he knows, health care allocations are up by \$194 million or 10 percent budget to budget. As he also knows, this budget includes approximately \$32.5 million to fill some 650 nursing positions that are created really as a result of primarily two situations: to fill some vacancies that are in place where right now the need of those vacancies is being fulfilled by nurses either working overtime or working longer shifts than they would want to. So that certainly is one issue. The other issue is that there have been some new initiatives where there have been some expansion in services that have been put in place over the course of the last year, and the dollars are also in the budget to fill those positions.

So the budget includes \$32.5 million to fill 650 nursing positions. But the \$7 million is now sitting in a trust account, administered by the WHA, available to the six-person committee that is going to be administering the utilization of that fund to do just that, to attract and keep and maintain nurses in our system.

Mr. Chomiak: The \$32 million that the minister referred to, can the minister indicate to me precisely where in the supplementary Estimates that line item is and/or the various line items it is included in?

Mr. Stefanson: Mr. Chairman, it is in at least four areas, primarily in four areas. Again, it is on page 87 of the detailed Estimates. It is in section 21.4.(a) Funding to Health Authorities, and it really would be included in primarily those first four categories: Acute Care Services, Long Term Care Services, Home Care Services and Community and Mental Health Services.

I think what is important to point out to the member—and I am certainly prepared to bring him more information and bring him a copy of the announcement on budget day—is, as I have said to him, it is really made up of two elements. It is made up of the one element of money that has been allocated in previous years for nursing positions in the system that right now those positions are sitting vacant, so the need is being met by nurses working overtime or a nurse who

only wants to work six-tenths of a position is working full time and so on.

* (1620)

So those dollars are still in the system to fill those vacancies, but the other component—and that was very clear in the announcement we made and the discussion we had with the public and the media at the time—is some of the new initiatives that have been put in place over the last period of time that do have incremental resources. So it is a combination of incremental resources and ongoing resources which amount to \$32.5 million to fill 650 nursing positions in this budget.

Mr. Chomiak: The minister has been very precise in terms of the number of positions that he is talking about, as well as the total cost, the total expenditure in those positions. Can we get a specific breakdown of the components of that \$32 million?

Mr. Stefanson: I certainly believe I can provide the member with a breakdown of those two key components I keep taking about, the number of positions as a result of vacancies and the number of positions as a result of new initiatives. We can also do that on a regional basis, Winnipeg and outside of Winnipeg.

Certainly, when it came to the review of vacancies, that was done in conjunction, in consultation with all of the health authorities. So I am certainly prepared to bring him that information, Mr. Chairman.

Mr. Chomiak: I thank the minister for that. I just want to make sure I understand correctly. Essentially what the minister is going to be providing us with is the allocation with the department's determination of a need to fill 650 positions based on two functions: increased need and reduction of roles and functions for individuals who are working overtime, et cetera, and that that equates to \$32 million in expenditure. Is that clear, what I have said?

Mr. Stefanson: I want to be sure we are clear on this as well, Mr. Chairman. There are the two components. There are existing positions that have been vacant in the health care system

because of the need for more nurses. Those services are still being provided by nurses working overtime, working longer shifts, and they would like to shift, and so on. So we will give a breakdown of how much out of the 650 are vacancies that exist in the system but the need is being met by nurses working overtime, and so on.

The other aspect is a number of enhanced and new initiatives that have been put in place over the last period of time in areas like—I just want to hear your strategy here. That is what I am—[interjection] No. 1 priority—in areas like dialysis, in areas like some expansion in surgery capabilities, and so on. The member, I am sure, because he has followed those issues, is aware of many of those expansions of services and enhancements of services, and so on. So that is the other component that, as a result of that, there are incremental dollars in positions to fulfill those areas of need and enhanced services.

Mr. Chomiak: Last August the former minister announced about \$30 million in various initiatives from the Department of Health. At the time, the former minister indicated that this was new money that was going in and, in fact, I remember in reply to a question, he said, well, you know, I am not entirely clear on this, but you should ask the Minister of Finance, who at the time was the present incumbent, the present occupant of the Ministry of Health.

So I am asking the minister if he could take me through this, because I think this is very important in terms of these budget appropriations. The \$30 million, by way of example, announced last August that was new expenditures, is that \$30 million contained in last year's appropriation or is it contained in this year's appropriation, or, presumably, if it was last year's, it would be contained in last year's as well as this year's?

So I wonder if the minister might clear it up for all of us, because the question did go to the former Minister of Health, who said that you would be able to clear it up for all of us.

Mr. Stefanson: I am certainly prepared to return with the specific breakdown of the various categories from that announcement, because,

obviously, I do not have it here with me today, but what happened in 1998-99 is the Minister of Health announced a number of initiatives that on a full-year basis totalled about \$31 million, I believe, approximately. That was some time, as the member opposite indicated, I believe in about August. The financial impact of that for 1998-99 was about \$17 million, because the annualized cost was \$31 million. Obviously, to implement those starting in August, roughly half of a year, our year-end is the end of March, so about \$17 million was utilized in 1998-99.

But on a go-forward basis in the budget we have before us today, this budget includes the full \$31 million. It includes the total allocation for all of those initiatives to be in place basically for the full year in 1999-2000.

I hope that clarifies for the member that the announcement of what those initiatives would cost was \$31 million. They were started to be implemented at the time of the announcement in various stages. As they were implemented, obviously costs were incurred. The costs for '98-99 were about \$17 million which was part of the supplementary warrant. Then the full \$31 million has now formed part of our 1999 budget going forward to meet all of those issues that were outlined in that announcement.

* (1630)

Mr. Chomiak: So if I understand the minister correctly—and I understand we are not talking about specifics because there are some problems in terms of various operational capital, et cetera, but just in theory and in practice, the \$17 million in expenditures, half year, that were announced in 1998, August, were not contained in the Estimates of Expenditure included in '98-99 but rather formed the basis of supplementary warrants since August in order to accommodate that. Do I understand that correctly?

Mr. Stefanson: Yes, Mr. Chairman, that is correct.

Mr. Chomiak: And the \$100 million-or-so-odd expenditures that we have had since that period of time roughly, those are contained where?

Mr. Stefanson: I just want to clarify, Mr. Chairman, the \$100 million the member is referring to, is he referring to the '98-99 special warrant? [interjection]

Mr. Chairman, the health care special warrant in '98-99 was about \$110 million, I believe. Some of that was one-time money, and some of that were obviously issues like we are discussing right here, the \$17 million as a result of that announcement back in August.

So a component of that \$110 million rolls forward into our 1999 budget and becomes part of our ongoing core support for health care services in a whole range of areas. Whether it is home care or Pharmacare or whatever areas it might be, it then becomes part of our \$2.1 billion allocation to health.

Mr. Chomiak: The difficulty, of course, is that it becomes confusing to both the public and to members of the Legislature who vote on these allocations when appropriations are made and budgets are passed and then subsequent supplementary warrants are forwarded in order to determine what actual expenditures have taken place and what actual expenditures have not taken place. I dare say there has been a fair amount of confusion and questioning in terms of the effect of some of the government announcements as a result of the confusion. The \$32 million that forms the basis of the nurse vacancies that the minister is going to be providing to us, does any of that include the proposed settlement or the allocations for the settlement for the nurses which has been recently reached? If it does not, where does that appear in the Estimates?

Mr. Stefanson: To the first part of his question, the answer is no, that the \$32.5 million for the 650 positions does not include any portion of the allocation for the tentative agreement that has been reached between the employers and the Manitoba Nurses' Union, but resources have been provided really in two areas to meet that need, in the Department of Health itself. The other area that includes a portion of the allocation is an allocation on page 147 of our Estimates book, appropriation 26.4, item No. 4, which is Internal Reform, Workforce Adjustment and General Salary Increases, which

the member will note this year includes some \$20 million; last year, it included some \$15 million. So certainly the issue of the nurses' settlement is included in part there and in part with the department. I am certainly prepared at an appropriate time to give the member a breakdown of that allocation.

Mr. Chomiak: Mr. Chairperson, I apologize, but I did not hear the appropriation number when the minister mentioned it. If he could refer to that again, please.

Mr. Stefanson: Besides what is allocated in the Department of Health, there is also an allocation from within; it is on page 147, appropriation No. 26.4, headed up Internal Reform, Workforce Adjustment and General Salary Increases. It goes on to explain it here in this section: "Provides for the estimated cost of various internal reform initiatives and workforce adjustment costs which may result in changes in program delivery or design. In addition, any cost related to a general salary increase in government departments, not provided through departmental appropriations, would be provided through this account."

So, again, there is an allocation within that account, and certainly at the appropriate time I am prepared to provide the member with a breakdown.

* (1640)

The Acting Chairperson (Mr. Penner): For the members in the Chamber, I wonder if you could give me some clarification whether there was agreement at the start of the committee proceedings that we do a range through the entire Estimates of Health and then come back at a later time to do the line by line or do you want to go page by page as you proceed? Has there been any agreement struck? What are the wishes of the committee?

Mr. Chomiak: Generally, if I can speak, Mr. Chairperson. I have indicated, certainly from my perspective, these initial questions are just general questions in the executive salary portion, after which we will be going line by line through the items. I am just attempting to allocate new

and different functions for my own understanding at this point.

The Acting Chairperson (Mr. Penner): If that is agreed, we will proceed in that manner.

Mr. Chomiak: Mr. Chairperson, I have not been able to put my card index together yet. [interjection] Recipe cards.

Did the minister say that is part of the allocation from last year's appropriation as well as this year's appropriation? Do I understand that correctly?

Mr. Stefanson: The answer to that is no; I did not indicate that. We are talking solely the '99-2000 allocation.

Mr. Chomiak: Mr. Chairperson, just again, in general. The minister indicated there was, aside from money allocated at the Department of Health—I am not sure what he referred to or what he meant by that—was the minister referring to the standard employee increments that are allocated to the Department of Health when he made reference to the other portion of the nurses' increase that was included? Do I understand that correctly?

Mr. Stefanson: Well, Mr. Chairman, we have dollars available in two areas to meet the funding required for the potential agreement with the nurses. A portion of that allocation is in the Department of Health. Another portion is in that line that I pointed out, which is used for that purpose, has been used consistently over the years by government, probably a previous government.

As the member can well appreciate, often budgets are coming out when you are either in negotiations or heading into negotiations, all of those kinds of things, and it would not be a responsible or a prudent thing to do to be signalling that you have set aside a certain amount. So you have the generic account, which is our Internal Reform, Workforce Adjustment and General Salary Increases, and you also make certain provisions within your individual department. We have done just that for this issue.

I am certainly prepared to provide the member more details on that at an appropriate time, but he knows the sequence of events over the next short while. For that reason, I will definitely provide him some more information at an appropriate time.

Mr. Chomiak: Mr. Chairperson, can the minister just indicate in general what the department estimate is of the total cost of the settlement that is pending ratification by the nurses?

Mr. Stefanson: Mr. Chairman, I think as the member is aware, and it has certainly been discussed somewhat through the media and elsewhere, the financial impact is roughly between \$3 million and \$3.5 million per 1 percent. So he can certainly do the calculations from what he knows of the tentative agreement.

Mr. Chomiak: Could the minister just give me a general outline as to what the status is of the arbitration with respect to the doctors?

Mr. Stefanson: In a very general sense, Mr. Chairman. I am certainly prepared to get into it in more detail in the appropriate area. As the member knows, that process is ongoing, the arbitration process. A number of meetings have taken place, a number of meetings are scheduled to take place, an extremely comprehensive process with the number of tariffs that are in place in terms of fee for service, and so on. So certainly the process continues to move forward.

Mr. Chomiak: I understand the minister's position with respect to the specifics. We will pursue it during that particular line item. I just wanted a general sense.

Can the minister indicate, though, in terms of the expenditures and the appropriation, has any money been allocated this budgetary year for the doctors' settlement? Where would that be located?

Mr. Stefanson: Yes, an allocation has been made, and, Mr. Chairman, it would be on page 88 of the detailed expenditures. Basically appropriation 21.4.(c) Medical program services.

Mr. Chomiak: So the minister is indicating that there is allocation made in the \$388-million

allocation from the \$333-million allocation the previous year with respect to physician services. Is the minister then saying that within that allocation is the provincial estimate and projection of the cost of settlement with the doctors?

Mr. Stefanson: Well, again, Mr. Chairman, I certainly think the member opposite can appreciate this and probably more so being a lawyer, that, yes, there is an allocation, but I am not prepared to confirm for him at this stage just how much or what percent that allocation might be. But there is a provision made in the 1999 budget.

* (1650)

Mr. Chomiak: Where in the budget would the allocation be contained for presumably a settlement with the other workers, CUPE? Would it be under the appropriation 26.4. and in other allocations? Would that be a correct assumption to make?

Mr. Stefanson: The short answer to that question is yes.

Mr. Chomiak: Just in general, insofar as the government's allocated increases for settlement of the physicians, has the government also allocated increases for other professional services; that is, chiropractors and other related services?

Mr. Stefanson: Mr. Chairman, I am certainly prepared to answer individual questions if there are professional groups that the member wants to ask about. He did refer specifically to chiropractors. I think, as he knows, we have a five-year agreement with chiropractors currently in place in Manitoba at a fixed dollar amount.

Mr. Chomiak: Would the minister be able to or next time we meet—well, actually next time we meet would not be practical since I understand we are meeting tomorrow morning, but subsequent to that, provide me with information with respect to revenues that we are going to be obtaining this year from the federal government with respect to health care.

Mr. Stefanson: Mr. Chairman, I am told that traditionally Health has deferred those questions to the Minister of Finance (Mr. Gilleshammer), which I would certainly willingly do, but I am also prepared to work with him in terms of providing that information.

Mr. Chomiak: Mr. Chairperson, I appreciate the minister's offer of assistance. I am more concerned about the one-time appropriation from the federal government and the policy decisions from the provincial government, if that assists the minister.

I understand we are adjourning at five.

The Acting Chairperson (Mr. Penner): That is correct.

Mr. Chomiak: Just by way of administrative matters, my sense is that we are meeting again tomorrow morning for several hours. I am going to continue personally asking questions which I assume to be of a general nature.

I assume we will be meeting again the following week. We can start going line by line through the appropriate appropriations and continue till whenever, till an election is called or next September, whichever is sooner. So perhaps we can continue a line of questions or we can adjourn at this point if the committee is willing.

The Acting Chairperson (Mr. Penner): Is it the will of the committee to call it five o'clock? [agreed]

The hour being five o'clock, committee rise. Call in the Speaker.

IN SESSION

The Acting Speaker (Mr. Penner): Is it the will of the House to call it five o'clock? [agreed]

The hour being five o'clock, this House is adjourned and stands—[interjection] As previously agreed, this House would adjourn at five o'clock.

So the hour being five o'clock, this House is adjourned and stands adjourned until ten o'clock tomorrow morning (Thursday).

LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, May 12, 1999

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