

First Session - Thirty-Eighth Legislature
of the
Legislative Assembly of Manitoba
DEBATES
and
PROCEEDINGS
Official Report
(Hansard)

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authority of
The Honourable George Hickes
Speaker*

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MANITOBA LEGISLATIVE ASSEMBLY
First Session—Thirty-Eighth Legislature

Member	Constituency	Political Affiliation
AGLUGUB, Cris	The Maples	N.D.P.
ALLAN, Nancy	St. Vital	N.D.P.
ALTEMEYER, Rob	Wolseley	N.D.P.
ASHTON, Steve, Hon.	Thompson	N.D.P.
BJORNSON, Peter	Gimli	N.D.P.
BRICK, Marilyn	St. Norbert	N.D.P.
CALDWELL, Drew, Hon.	Brandon East	N.D.P.
CHOMIAK, Dave, Hon.	Kildonan	N.D.P.
CUMMINGS, Glen	Ste. Rose	P.C.
DERKACH, Leonard	Russell	P.C.
DEWAR, Gregory	Selkirk	N.D.P.
DOER, Gary, Hon.	Concordia	N.D.P.
DRIEDGER, Myrna	Charleswood	P.C.
DYCK, Peter	Pembina	P.C.
EICHLER, Ralph	Lakeside	P.C.
FAURSCHOU, David	Portage la Prairie	P.C.
GERRARD, Jon, Hon.	River Heights	Lib.
GOERTZEN, Kelvin	Steinbach	P.C.
HAWRANIK, Gerald	Lac du Bonnet	P.C.
HICKES, George, Hon.	Point Douglas	N.D.P.
IRVIN-ROSS, Kerri	Fort Garry	N.D.P.
JENNISSEN, Gerard	Flin Flon	N.D.P.
JHA, Bidhu	Radisson	N.D.P.
KORZENIOWSKI, Bonnie	St. James	N.D.P.
LAMOUREUX, Kevin	Inkster	Lib.
LATHLIN, Oscar, Hon.	The Pas	N.D.P.
LEMIEUX, Ron, Hon.	La Verendrye	N.D.P.
LOEWEN, John	Fort Whyte	P.C.
MACKINTOSH, Gord, Hon.	St. Johns	N.D.P.
MAGUIRE, Larry	Arthur-Virden	P.C.
MALOWAY, Jim	Elmwood	N.D.P.
MARTINDALE, Doug	Burrows	N.D.P.
McGIFFORD, Diane, Hon.	Lord Roberts	N.D.P.
MELNICK, Christine	Riel	N.D.P.
MIHYCHUK, MaryAnn, Hon.	Minto	N.D.P.
MITCHELSON, Bonnie	River East	P.C.
MURRAY, Stuart	Kirkfield Park	P.C.
NEVAKSHONOFF, Tom	Interlake	N.D.P.
OSWALD, Theresa	Seine River	N.D.P.
PENNER, Jack	Emerson	P.C.
REID, Daryl	Transcona	N.D.P.
REIMER, Jack	Southdale	P.C.
ROBINSON, Eric, Hon.	Rupertsland	N.D.P.
ROCAN, Denis	Carman	P.C.
RONDEAU, Jim	Assiniboia	N.D.P.
ROWAT, Leanne	Minnedosa	P.C.
SALE, Tim, Hon.	Fort Rouge	N.D.P.
SANTOS, Conrad	Wellington	N.D.P.
SHELLENBERG, Harry	Rossmere	N.D.P.
SCHULER, Ron	Springfield	P.C.
SELINGER, Greg, Hon.	St. Boniface	N.D.P.
SMITH, Scott, Hon.	Brandon West	N.D.P.
STEFANSON, Heather	Tuxedo	P.C.
STRUTHERS, Stan	Dauphin-Roblin	N.D.P.
TAILLIEU, Mavis	Morris	P.C.
TWEED, Mervin	Turtle Mountain	P.C.
WOWCHUK, Rosann, Hon.	Swan River	N.D.P.

LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, September 25, 2003

The House met at 10 a.m.

PRAYERS

House Business

Hon. Gord Mackintosh (Government House Leader): Mr. Speaker, there is an understanding to move into concurrence today.

Is there leave of the House to receive the report from the Committee of Supply?

Mr. Speaker: Is there leave of the House to receive the report from the Committee of Supply? [Agreed]

Committee Report

Mr. Conrad Santos (Chairperson): Mr. Speaker, the Committee of Supply has considered and adopted certain resolutions.

In the section of the Committee of Supply sitting in Room 255 on September 11, 2003, considering the Estimates of the Department of Agriculture and Food, the question was put on Resolution 3.1., Administration and Finance. A voice vote was held whereupon a count-out vote was requested and members sitting in Room 254 and Room 255 returned to the Chamber. A counted vote was held on the motion, which was passed, 31-19.

In the section of the Committee of Supply sitting in Room 254 on September 11, 2003, considering the Estimates of the Department of Health, a voice vote was held on a motion moved by Mrs. Driedger recommending that the Minister of Health's salary be reduced to \$1. Whereupon a count-out vote was requested and members sitting in Room 254 and Room 255 returned to the Chamber. A counted vote was held on the motion, which was defeated, 17-30.

In the section of the Committee of Supply sitting in Room 255 on September 16, 2003, considering the Estimates of the Department of Finance,

a voice vote was held on a motion moved by Mr. Loewen recommending that the Minister of Finance's salary be reduced to \$1. Whereupon a count-out vote was requested and members sitting in Room 254 and Room 255 returned to the Chamber. A counted vote was held on the motion, which was defeated, 16-31.

In the section of the Committee of Supply sitting in the Chamber on September 24, 2003, considering the Estimates of the Department of Education and Youth, a voice vote was held on a motion moved by Mrs. Stefanson recommending that the Minister of Education and Youth's salary be reduced to \$1. Whereupon a count-out vote was requested and members sitting in Room 254 and Room 255 returned to the Chamber. A counted vote was held on the motion, which was defeated, 21-29.

The following resolutions were adopted:

1.1. RESOLVED that there be granted to Her Majesty a sum not exceeding five million, one hundred fifty-four thousand, three hundred dollars for Legislative Assembly:

Other Assembly Expenditures.....\$5,154,300

for the fiscal year ending the 31st day of March, 2004.

1.2. RESOLVED that there be granted to Her Majesty a sum not exceeding four million, two hundred thirty-one thousand, five hundred dollars for Legislative Assembly:

Office of the Auditor General.....\$4,231,500

for the fiscal year ending the 31st day of March, 2004.

1.3. RESOLVED that there be granted to Her Majesty a sum not exceeding two million, two hundred ninety-six thousand, one hundred dollars for Legislative Assembly:

Office of the Ombudsman.....\$2,296,100

for the fiscal year ending the 31st day of March, 2004.

1.4. RESOLVED that there be granted to Her Majesty a sum not exceeding one million, fifteen thousand, five hundred dollars for Legislative Assembly:

Office of the Chief Electoral Officer...\$1,015,500

for the fiscal year ending the 31st day of March, 2004.

1.5. RESOLVED that there be granted to Her Majesty a sum not exceeding six hundred thirty-six thousand, four hundred dollars for Legislative Assembly:

Office of the Children's Advocate.....\$636,400

for the fiscal year ending the 31st day of March, 2004.

1.6. RESOLVED that there be granted to Her Majesty a sum not exceeding one hundred forty-three thousand, nine hundred dollars for Legislative Assembly:

Amortization and Other Costs Related to Capital Assets.....\$143,900

for the fiscal year ending the 31st day of March, 2004.

2.1. RESOLVED that there be granted to Her Majesty a sum not exceeding three million, four hundred eleven thousand, six hundred dollars for Executive Council:

General Administration.....\$3,411,600

for the fiscal year ending the 31st day of March, 2004.

2.2. RESOLVED that there be granted to Her Majesty a sum not exceeding fourteen thousand, six hundred dollars for Executive Council:

Amortization And Other Costs Related to Capital Assets.....\$14,600

for the fiscal year ending the 31st day of March, 2004.

3.1. RESOLVED that there be granted to Her Majesty a sum not exceeding two million, seven hundred eighty-three thousand, two hundred dollars for Agriculture and Food:

Administration and Finance.....\$2,783,200

for the fiscal year ending the 31st day of March, 2004.

3.2. RESOLVED that there be granted to Her Majesty a sum not exceeding seventy-eight million, eight hundred seventy-four thousand, four hundred dollars for Agriculture and Food:

Risk Management And Income Support Programs.....\$78,874,400

for the fiscal year ending the 31st day of March, 2004.

3.3. RESOLVED that there be granted to Her Majesty a sum not exceeding six million, two hundred nine thousand, nine hundred dollars for Agriculture and Food:

Manitoba Agricultural Credit Corporation.....\$6,209,900

for the fiscal year ending the 31st day of March, 2004.

3.4. RESOLVED that there be granted to Her Majesty a sum not exceeding seventeen million, eight thousand, four hundred dollars for Agriculture and Food:

Agricultural Development and Marketing.....\$17,008,400

for the fiscal year ending the 31st day of March, 2004.

3.5. RESOLVED that there be granted to Her Majesty a sum not exceeding fifteen million, three hundred thirty-four thousand, seven hundred dollars for Agriculture and Food:

Regional Agricultural Services.....\$15,334,700

for the fiscal year ending the 31st day of March, 2004.

3.6. RESOLVED that there be granted to Her Majesty a sum not exceeding two million, six hundred sixty-nine thousand, two hundred dollars for Agriculture and Food:

Policy and Economics.....\$2,669,200

for the fiscal year ending the 31st day of March, 2004.

3.7. RESOLVED that there be granted to Her Majesty a sum not exceeding three million, two hundred nineteen thousand, three hundred dollars for Agriculture and Food:

Agriculture Research and Development\$3,219,300

for the fiscal year ending the 31st day of March, 2004.

3.8. RESOLVED that there be granted to Her Majesty a sum not exceeding five hundred thirty-two thousand, eight hundred dollars for Agriculture and Food:

Amortization and Other Costs Related to Capital Assets.....\$532,800

for the fiscal year ending the 31st day of March, 2004.

4.1. RESOLVED that there be granted to Her Majesty a sum not exceeding five million, five hundred sixty-seven thousand five hundred dollars for Justice:

Administration and Finance.....\$5,567,500

for the fiscal year ending the 31st day of March, 2004.

4.2. RESOLVED that there be granted to Her Majesty a sum not exceeding ninety-three million, seven hundred seventy-seven thousand, nine hundred dollars for Justice:

Criminal Justice.....\$93,777,900

for the fiscal year ending the 31st day of March, 2004.

4.3. RESOLVED that there be granted to Her Majesty a sum not exceeding twenty-three million, one hundred thousand, five hundred dollars for Justice:

Civil Justice.....\$23,100,500

for the fiscal year ending the 31st day of March, 2004.

4.4. RESOLVED that there be granted to Her Majesty a sum not exceeding ninety-three million, two hundred six thousand, five hundred dollars for Justice:

Corrections.....\$93,206,500

for the fiscal year ending the 31st day of March, 2004.

4.5. RESOLVED that there be granted to Her Majesty a sum not exceeding thirty-seven million, twenty-seven thousand, one hundred dollars for Justice:

Courts.....\$37,027,100

for the fiscal year ending the 31st day of March, 2004.

4.6. RESOLVED that there be granted to Her Majesty a sum not exceeding one million, four hundred thirty-four thousand, seven hundred dollars for Justice:

Amortization and Other Costs Related to Capital Assets.....\$1,434,700

for the fiscal year ending the 31st day of March, 2004.

6.1. RESOLVED that there be granted to Her Majesty a sum not exceeding sixty-five million, four hundred twelve thousand, five hundred dollars for Employee Pensions and Other Costs:

Employee Pensions and Other Costs.....\$65,412,500

for the fiscal year ending the 31st day of March, 2004.

7.1. *RESOLVED that there be granted to Her Majesty a sum not exceeding one million, nine hundred fifty-eight thousand five hundred dollars for Finance:*

Administration and Finance.....\$1,958,500
for the fiscal year ending the 31st day of March, 2004.

7.2. *RESOLVED that there be granted to Her Majesty a sum not exceeding one million, six hundred seventy-five thousand, nine hundred dollars for Finance:*

Treasury.....\$1,675,900
for the fiscal year ending the 31st day of March, 2004.

7.3. *RESOLVED that there be granted to Her Majesty a sum not exceeding six million, one hundred eighty-five thousand dollars for Finance:*

Comptroller.....\$6,185,000
for the fiscal year ending the 31st day of March, 2004.

7.4. *RESOLVED that there be granted to Her Majesty a sum not exceeding fifteen million, seven hundred two thousand, seven hundred dollars for Finance:*

Taxation.....\$15,702,700
for the fiscal year ending the 31st day of March, 2004.

7.5. *RESOLVED that there be granted to Her Majesty a sum not exceeding two million, five hundred eighty-three thousand, five hundred dollars for Finance:*

Federal-Provincial Relations and Research.....\$2,583,500
for the fiscal year ending the 31st day of March, 2004.

7.6. *RESOLVED that there be granted to Her Majesty a sum not exceeding three hundred*

eighty-one thousand, seven hundred dollars for Finance:

Insurance and Risk Management.....\$381,700

for the fiscal year ending the 31st day of March, 2004.

7.7. *RESOLVED that there be granted to Her Majesty a sum not exceeding five million, three hundred fifty thousand, seven hundred dollars for Finance:*

Treasury Board Secretariat.....\$5,350,700

for the fiscal year ending the 31st day of March, 2004.

7.8. *RESOLVED that there be granted to Her Majesty a sum not exceeding nine million, three hundred sixty-five thousand, nine hundred dollars for Finance:*

Consumer and Corporate Affairs.....\$9,365,900

for the fiscal year ending the 31st day of March, 2004.

7.9. *RESOLVED that there be granted to Her Majesty a sum not exceeding four million, one hundred ten thousand, six hundred dollars for Finance:*

Amortization and Other Costs Related to Capital Assets.....\$4,110,600

for the fiscal year ending the 31st day of March, 2004.

7.10. *RESOLVED that there be granted to Her Majesty a sum not exceeding fifty-one million, one hundred two thousand one hundred dollars for Finance:*

Net Tax Credit Payments.....\$51,102,100

for the fiscal year ending the 31st day of March, 2004.

9.1. *RESOLVED that there be granted to Her Majesty a sum not exceeding ten million, one hundred five thousand, seven hundred dollars for Family Services and Housing:*

Administration and Finance.....\$10,105,700

for the fiscal year ending the 31st day of March, 2004.

9.2. RESOLVED that there be granted to Her Majesty a sum not exceeding two hundred three million, five hundred ninety-one thousand, five hundred dollars for Family Services and Housing:

Employment, Income and Housin..\$203,591,500
for the fiscal year ending the 31st day of March, 2004.

9.3. RESOLVED that there be granted to Her Majesty a sum not exceeding three hundred sixteen million, three hundred forty thousand dollars For Family Services and Housing:

Services for Persons with Disabilities.....\$316,340,000

for the fiscal year ending the 31st day of March, 2004.

9.4. RESOLVED that there be granted to Her Majesty a sum not exceeding two hundred fourteen million, six hundred twelve thousand, five hundred dollars for Family Services and Housing:

Child and Family Services.....\$214,612,500

for the fiscal year ending the 31st day of March, 2004.

9.5. RESOLVED that there be granted to Her Majesty a sum not exceeding one hundred nineteen million, nine hundred seventy-six thousand, one hundred dollars for Family Services and Housing:

Community Service Delivery.....\$119,976,100

for the fiscal year ending the 31st day of March, 2004.

9.6. RESOLVED that there be granted to Her Majesty a sum not exceeding four million, seven hundred eighty thousand, eight hundred dollars for Family Services and Housing:

Amortization and Other Costs Related to Capital Assets.....\$4,780,800

for the fiscal year ending the 31st day of March, 2004.

10.1. RESOLVED that there be granted to Her Majesty a sum not exceeding three million, seven hundred fourteen thousand, seven hundred dollars for Industry, Trade and Mines:

Administration and Finance.....\$3,714,700

for the fiscal year ending the 31st day of March, 2004.

10.2. RESOLVED that there be granted to Her Majesty a sum not exceeding seventeen million, two hundred fifty-nine thousand, three hundred dollars for Industry, Trade and Mines:

Business Services.....\$17,259,300

for the fiscal year ending the 31st day of March, 2004.

10.3. RESOLVED that there be granted to Her Majesty a sum not exceeding eight million, three hundred nine thousand, six hundred dollars for Industry, Trade and Mines:

Mineral Resources.....\$8,309,600

for the fiscal year ending the 31st day of March, 2004.

10.4. RESOLVED that there be granted to Her Majesty a sum not exceeding one million, five hundred seventy-eight thousand, one hundred dollars for Industry, Trade and Mines:

Community and Economic Development\$1,578,100

for the fiscal year ending the 31st day of March, 2004.

10.5. RESOLVED that there be granted to Her Majesty a sum not exceeding two hundred twenty-one thousand, five hundred dollars for Industry, Trade and Mines:

Amortization and Other Costs Related to Capital Assets.....\$221,500

for the fiscal year ending the 31st day of March, 2004.

11.1. RESOLVED that there be granted to Her Majesty a sum not exceeding six hundred fifty thousand, eight hundred dollars for Labour and Immigration:

Executive.....\$650,800

for the fiscal year ending the 31st day of March, 2004.

11.2. RESOLVED that there be granted to Her Majesty a sum not exceeding fifteen million, eight thousand, one hundred dollars for Labour and Immigration:

Labour Programs.....\$15,008,100

for the fiscal year ending the 31st day of March, 2004.

11.3. RESOLVED that there be granted to Her Majesty a sum not exceeding ten million, three hundred ninety-eight thousand dollars for Labour and Immigration:

Immigration and Multiculturalism\$10,398,000

for the fiscal year ending the 31st day of March, 2004.

11.4. RESOLVED that there be granted to Her Majesty a sum not exceeding eight hundred ninety-seven thousand, two hundred dollars for Labour and Immigration:

Amortization and Other Costs Related to Capital Assets.....\$897,200

for the fiscal year ending the 31st day of March, 2004.

12.1. RESOLVED that there be granted to Her Majesty a sum not exceeding six million, five hundred twenty-seven thousand, one hundred dollars for Conservation:

Administration and Finance.....\$6,527,100

for the fiscal year ending the 31st day of March, 2004.

12.2. RESOLVED that there be granted to Her Majesty a sum not exceeding one million, six

hundred twenty-two thousand, one hundred dollars for Conservation:

Conservation Support Services.....\$1,622,100

for the fiscal year ending the 31st day of March, 2004.

12.3. RESOLVED that there be granted to Her Majesty a sum not exceeding forty-seven million, nine hundred twenty-four thousand, five hundred dollars for Conservation:

Regional Operations.....\$47,924,500

for the fiscal year ending the 31st day of March, 2004.

12.4. RESOLVED that there be granted to Her Majesty a sum not exceeding fifty-three million, five hundred ninety-seven thousand, eight hundred dollars for Conservation:

Conservation Programs.....\$53,597,800

for the fiscal year ending the 31st day of March, 2004.

12.5. RESOLVED that there be granted to Her Majesty a sum not exceeding four million, four hundred seventy-five thousand, four hundred dollars for Conservation:

Environmental Stewardship.....\$4,475,400

for the fiscal year ending the 31st day of March, 2004.

12.6. RESOLVED that there be granted to Her Majesty a sum not exceeding five hundred twelve thousand dollars for Conservation:

Clean Environment Commission.....\$512,000

for the fiscal year ending the 31st day of March, 2004.

12.7. RESOLVED that there be granted to Her Majesty a sum not exceeding one million, one hundred forty-five thousand, nine hundred dollars for Conservation:

International Institute for Sustainable Development.....\$1,145,900

for the fiscal year ending the 31st day of March, 2004.

12.8. RESOLVED that there be granted to Her Majesty a sum not exceeding nine million, nine hundred fifteen thousand, three hundred dollars for Conservation:

Infrastructure and Minor Capital Projects9,915,300

for the fiscal year ending the 31st day of March, 2004.

12.9. RESOLVED that there be granted to Her Majesty a sum not exceeding two million, three hundred twenty-nine thousand, two hundred dollars for Conservation:

Amortization and Other Costs Related to Capital Assets.....\$2,329,200

for the fiscal year ending the 31st day of March, 2004.

13.1. RESOLVED that there be granted to Her Majesty a sum not exceeding two million, seven hundred eleven thousand, nine hundred dollars for Intergovernmental Affairs:

Administration and Finance.....\$2,711,900

for the fiscal year ending the 31st day of March, 2004.

13.2. RESOLVED that there be granted to Her Majesty a sum not exceeding three million, seven hundred thirty-nine thousand dollars for Intergovernmental Affairs:

Community and Land Use Planning Services.....\$3,739,000

for the fiscal year ending the 31st day of March, 2004.

13.3. RESOLVED that there be granted to Her Majesty a sum not exceeding nine million, four hundred fifty-five thousand, eight hundred dollars for Intergovernmental Affairs:

Provincial-Municipal Support Services\$9,455,800

for the fiscal year ending the 31st day of March, 2004.

13.4. RESOLVED that there be granted to Her Majesty a sum not exceeding nineteen million, six hundred eighty thousand, one hundred dollars for Intergovernmental Affairs:

Rural and Northern Community Economic Development Services.....\$19,680,100

for the fiscal year ending the 31st day of March, 2004.

13.5. RESOLVED that there be granted to Her Majesty a sum not exceeding seventy-two million, nine hundred ten thousand, eight hundred dollars for Intergovernmental Affairs:

Financial Assistance to Municipalities\$72,910,800

for the fiscal year ending the 31st day of March, 2004.

13.6. RESOLVED that there be granted to Her Majesty a sum not exceeding fourteen million, seven hundred ten thousand, six hundred dollars for Intergovernmental Affairs:

Canada-Manitoba Agreements.....\$14,710,600

for the fiscal year ending the 31st day of March, 2004.

13.7. RESOLVED that there be granted to Her Majesty a sum not exceeding twenty-two million, two hundred ninety-nine thousand, five hundred dollars for Intergovernmental Affairs:

Urban Strategic Initiatives.....\$22,299,500

for the fiscal year ending the 31st day of March, 2004.

13.8. RESOLVED that there be granted to Her Majesty a sum not exceeding two hundred sixty thousand, three hundred dollars for Intergovernmental Affairs:

Amortization and Other Costs Related to Capital Assets.....\$260,300

for the fiscal year ending the 31st day of March, 2004.

14.1. RESOLVED that there be granted to Her Majesty a sum not exceeding two million, eight hundred thirty-nine thousand dollars for Culture, Heritage and Tourism:

Administration and Finance.....\$2,839,000

for the fiscal year ending the 31st day of March, 2004.

14.2. RESOLVED that there be granted to Her Majesty a sum not exceeding forty million, five hundred forty-seven thousand, six hundred dollars for Culture, Heritage and Tourism:

Culture, Heritage and Recreation Programs\$40,547,600

for the fiscal year ending the 31st day of March, 2004.

14.3. RESOLVED that there be granted to Her Majesty a sum not exceeding ten million, six hundred eighty-seven thousand, six hundred dollars for Culture, Heritage and Tourism:

Information Resources.....\$10,687,600

for the fiscal year ending the 31st day of March, 2004.

14.4. RESOLVED that there be granted to Her Majesty a sum not exceeding eight million, three hundred seventy-eight thousand, three hundred dollars for Culture, Heritage and Tourism:

Tourism.....\$8,378,300

for the fiscal year ending the 31st day of March, 2004.

14.5. RESOLVED that there be granted to Her Majesty a sum not exceeding four million, fifty-six thousand three hundred dollars for Culture, Heritage and Tourism:

Capital Grants.....\$4,056,300

for the fiscal year ending the 31st day of March, 2004.

14.6. RESOLVED that there be granted to Her Majesty a sum not exceeding three hundred

thirty-one thousand, four hundred dollars for Culture, Heritage and Tourism:

Amortization and Other Costs Related to Capital Assets.....\$331,400

for the fiscal year ending the 31st day of March, 2004.

15.1. RESOLVED that there be granted to Her Majesty a sum not exceeding nine million, three hundred fifteen thousand dollars for Transportation and Government Services:

Administration and Finance.....\$9,315,000

for the fiscal year ending the 31st day of March, 2004.

15.2. RESOLVED that there be granted to Her Majesty a sum not exceeding sixty-five million, four hundred seventy-eight thousand, six hundred dollars for Transportation and Government Services:

Highways and Transportation Programs\$65,478,600

for the fiscal year ending the 31st day of March, 2004.

15.3. SOLVED that there be granted to Her Majesty a sum not exceeding thirty-six million, four hundred thirty-five thousand, nine hundred dollars for Transportation and Government Services:

Government Services Programs.....\$36,435,900

for the fiscal year ending the 31st day of March, 2004.

15.4. RESOLVED that there be granted to Her Majesty a sum not exceeding one million, five hundred eighty thousand, eight hundred dollars for Transportation and Government Services:

Emergency Measures Organization\$1,580,800

for the fiscal year ending the 31st day of March, 2004.

15.5. RESOLVED that there be granted to Her Majesty a sum not exceeding two hundred two million, three hundred seventy-seven thousand nine hundred dollars for Transportation and Government Services:

Infrastructure Works.....\$202,377,900

for the fiscal year ending the 31st day of March, 2004.

15.6. RESOLVED that there be granted to Her Majesty a sum not exceeding twenty-five million, eight hundred seventy-nine thousand, seven hundred dollars for Transportation and Government Services:

Amortization and Other Costs Related to Capital Assets.....\$25,879,700

for the fiscal year ending the 31st day of March, 2004.

16.1. RESOLVED that there be granted to Her Majesty a sum not exceeding four million, seven hundred forty-five thousand, two hundred dollars for Education and Youth:

Administration and Finance.....\$4,745,200

for the fiscal year ending the 31st day of March, 2004.

16.2. RESOLVED that there be granted to Her Majesty a sum not exceeding twenty-five million, seven hundred ten thousand, two hundred dollars for Education and Youth:

School Programs.....\$25,710,200

for the fiscal year ending the 31st day of March, 2004.

16.3. RESOLVED that there be granted to Her Majesty a sum not exceeding eight million, five hundred sixty-two thousand, five hundred dollars for Education and Youth:

Bureau de l'éducation française.....\$8,562,500

for the fiscal year ending the 31st day of March, 2004.

16.4. RESOLVED that there be granted to Her Majesty a sum not exceeding one hundred seventy-nine million, five hundred fifty thousand, two hundred dollars for Education and Youth:

Education and School Tax Credits\$179,550,200

for the fiscal year ending the 31st day of March, 2004.

16.5. RESOLVED that there be granted to Her Majesty a sum not exceeding eight hundred thirteen million, four hundred three thousand, seven hundred dollars for Education and Youth:

Support to Schools.....\$813,403,700

for the fiscal year ending the 31st day of March, 2004.

16.6. RESOLVED that there be granted to Her Majesty a sum not exceeding six million, seventy-nine thousand, six hundred dollars for Education And Youth:

MB4Youth.....\$6,079,600

for the fiscal year ending the 31st day of March, 2004.

16.7. RESOLVED that there be granted to Her Majesty a sum not exceeding twenty-seven million, nine hundred fifty thousand, one hundred dollars for Education and Youth:

Capital Grants for School Divisions\$27,950,100

for the fiscal year ending the 31st day of March, 2004.

16.8. RESOLVED that there be granted to Her Majesty a sum not exceeding six hundred two thousand, one hundred dollars for Education and Youth:

Amortization and Other Costs Related to Capital Assets.....\$602,100

for the fiscal year ending the 31st day of March, 2004.

17.1. *RESOLVED that there be granted to Her Majesty a sum not exceeding four million, two hundred one thousand, five hundred dollars for Civil Service Commission:*

Civil Service Commission.....\$4,201,500

for the fiscal year ending the 31st day of March, 2004.

17.2. *RESOLVED that there be granted to Her Majesty a sum not exceeding seventy-two thousand, five hundred dollars for Civil Service Commission:*

Amortization and Other Costs Related to Capital Assets.....\$72,500

for the fiscal year ending the 31st day of March, 2004.

18.1. *RESOLVED that there be granted to Her Majesty a sum not exceeding six hundred six thousand, six hundred dollars for Energy, Science and Technology:*

Administration and Finance.....\$606,600

for the fiscal year ending the 31st day of March, 2004.

18.2. *RESOLVED that there be granted to Her Majesty a sum not exceeding two million, two hundred ninety-two thousand, four hundred dollars for Energy, Science and Technology:*

Energy Development Initiative.....\$2,292,400

for the fiscal year ending the 31st day of March, 2004.

18.3. *RESOLVED that there be granted to Her Majesty a sum not exceeding seventeen million, five hundred fifty-six thousand, nine hundred dollars for Energy, Science and Technology:*

Science, Innovation and Business Development\$17,556,900

for the fiscal year ending the 31st day of March, 2004.

18.4. *RESOLVED that there be granted to Her Majesty a sum not exceeding seventeen million,*

seven hundred ninety-nine thousand, eight hundred dollars for Energy, Science and Technology:

Manitoba Information and Communication Technology.....\$17,799,800

for the fiscal year ending the 31st day of March, 2004.

18.5. *RESOLVED that there be granted to Her Majesty a sum not exceeding five million, seven hundred seventy-three thousand, one hundred dollars for Energy, Science and Technology:*

Amortization and Other Costs Related to Capital Assets.....\$5,773,100

for the fiscal year ending the 31st day of March, 2004.

19.1. *RESOLVED that there be granted to Her Majesty a sum not exceeding nine hundred twenty-six thousand, four hundred dollars for Aboriginal and Northern Affairs:*

Aboriginal and Northern Affairs Executive\$926,400

for the fiscal year ending the 31st day of March, 2004.

19.2. *RESOLVED that there be granted to Her Majesty a sum not exceeding twenty-one million, three hundred ten thousand, four hundred dollars for Aboriginal and Northern Affairs:*

Aboriginal and Northern Affairs Operations\$21,310,400

for the fiscal year ending the 31st day of March, 2004.

19.3. *RESOLVED that there be granted to Her Majesty a sum not exceeding six million, three hundred ninety-three thousand, three hundred dollars for Aboriginal and Northern Affairs:*

Capital Grants.....\$6,393,300

for the fiscal year ending the 31st day of March, 2004.

19.4. RESOLVED that there be granted to Her Majesty a sum not exceeding seventy-three thousand, four hundred dollars for Aboriginal and Northern Affairs:

Amortization and Other Costs Related to Capital Assets.....\$73,400

for the fiscal year ending the 31st day of March, 2004.

21.1. RESOLVED that there be granted to Her Majesty a sum not exceeding seven million, five hundred eighty-six thousand three hundred dollars for Health:

Administration and Finance.....\$7,586,300

for the fiscal year ending the 31st day of March, 2004.

21.2. RESOLVED that there be granted to Her Majesty a sum not exceeding twenty-one million, seven hundred fifty-four thousand, five hundred dollars for Health:

Health Accountability, Policy and Planning\$21,754,500

for the fiscal year ending the 31st day of March, 2004.

21.3. RESOLVED that there be granted to Her Majesty a sum not exceeding nine million, seven hundred ninety-five thousand, five hundred dollars for Health:

Health Workforce.....\$9,795,500

for the fiscal year ending the 31st day of March, 2004.

21.4. RESOLVED that there be granted to Her Majesty a sum not exceeding nine million, five hundred sixty-three thousand, eight hundred dollars for Health:

Regional Programs and Services.....\$9,563,800

for the fiscal year ending the 31st day of March, 2004.

21.5. RESOLVED that there be granted to Her Majesty a sum not exceeding sixty-one million, five hundred ninety-two thousand, four hundred dollars for Health:

Provincial Health Problems.....\$61,592,400

for the fiscal year ending the 31st day of March, 2004.

21.6. RESOLVED that there be granted to Her Majesty a sum not exceeding two billion, seven hundred ninety-four million, eighty-two thousand, nine hundred dollars for Health:

Health Services Insurance Fund\$2,794,082,900

for the fiscal year ending the 31st day of March, 2004.

21.7. RESOLVED that there be granted to Her Majesty a sum not exceeding twelve million, four hundred eighty-six thousand, four hundred dollars for Health:

Addictions Foundation of Manitoba\$12,486,400

for the fiscal year ending the 31st day of March, 2004.

21.8. RESOLVED that there be granted to Her Majesty a sum not exceeding eighty-four million, three hundred seventy-three thousand, nine hundred dollars for Health:

Capital Funding.....\$84,373,900

for the fiscal year ending the 31st day of March, 2004.

21.9. RESOLVED that there be granted to Her Majesty a sum not exceeding two million, nine hundred ninety-three thousand, three hundred dollars for Health:

Amortization and Other Costs Related to Capital Assets.....\$2,993,300

for the fiscal year ending the 31st day of March, 2004.

22.1. *RESOLVED* that there be granted to Her Majesty a sum not exceeding one million, seventy thousand, nine hundred dollars for Status of Women:

Status of Women.....\$1,070,900

for the fiscal year ending the 31st day of March, 2004.

22.2. *RESOLVED* that there be granted to Her Majesty a sum not exceeding fourteen thousand, nine hundred dollars for Status of Women:

Amortization and Other Costs Related to Capital Assets.....\$14,900

for the fiscal year ending the 31st day of March, 2004.

24.1. *RESOLVED* that there be granted to Her Majesty a sum not exceeding seven hundred fourteen thousand, two hundred dollars for Seniors Directorate:

Seniors Directorate.....\$714,200

for the fiscal year ending the 31st day of March, 2004.

24.2. *RESOLVED* that there be granted to Her Majesty a sum not exceeding nine thousand, four hundred dollars for Seniors Directorate:

Amortization and Other Costs Related to Capital Assets.....\$9,400

for the fiscal year ending the 31st day of March, 2004.

26.1. *RESOLVED* that there be granted to Her Majesty a sum not exceeding fifty-five million, six hundred fifteen thousand, two hundred dollars for Enabling Appropriations:

Canada-Manitoba Enabling Vote.....\$55,615,200

for the fiscal year ending the 31st day of March, 2004.

26.2. *RESOLVED* that there be granted to Her Majesty a sum not exceeding three million, four

hundred thousand dollars for Enabling Appropriations:

Sustainable Development Innovations Fund
.....\$3,400,000

for the fiscal year ending the 31st day of March, 2004.

26.3. *RESOLVED* that there be granted to Her Majesty a sum not exceeding two million, two hundred fifty thousand dollars for Enabling Appropriations:

Justice Initiatives.....\$2,250,000

for the fiscal year ending the 31st day of March, 2004.

26.4. *RESOLVED* that there be granted to Her Majesty a sum not exceeding five hundred thousand dollars for Enabling Appropriations:

Security Initiatives.....\$500,000

for the fiscal year ending the 31st day of March, 2004.

26.5. *RESOLVED* that there be granted to Her Majesty a sum not exceeding thirty-five million dollars for Enabling Appropriations:

Internal Reform, Workforce Adjustment and General Salary Increases.....\$35,000,000

for the fiscal year ending the 31st day of March, 2004.

27.1. *RESOLVED* that there be granted to Her Majesty a sum not exceeding twenty-five million dollars for Other Appropriations:

Emergency Expenditures.....\$25,000,000

for the fiscal year ending the 31st day of March, 2004.

27.2. *RESOLVED* that there be granted to Her Majesty a sum not exceeding seven hundred ninety thousand dollars for Other Appropriations:

Allowance for Losses and Expenditures Incurred by Crown Corporations and Other Provincial Entities.....\$790,000

for the fiscal year ending the 31st day of March, 2004.

28.1. RESOLVED that there be granted to Her Majesty a sum not exceeding ten million, six hundred eighty-four thousand, eight hundred dollars for Sport:

Sport.....\$10,684,800

for the fiscal year ending the 31st day of March, 2004.

28.2. RESOLVED that there be granted to Her Majesty a sum not exceeding one thousand seven hundred dollars for Sport:

Amortization and Other Costs Related to Capital Assets.....\$1,700

for the fiscal year ending the 31st day of March, 2004.

34.1. RESOLVED that there be granted to Her Majesty a sum not exceeding twenty-one million, nine hundred twenty thousand, eight hundred dollars for Healthy Child Manitoba:

Healthy Child Manitoba.....\$21,920,800

for the fiscal year ending the 31st day of March, 2004.

34.2. RESOLVED that there be granted to Her Majesty a sum not exceeding Sixteen Thousand eight hundred dollars for healthy child manitoba:

Amortization and Other Costs Related to Capital Assets.....\$16,800

for the fiscal year ending the 31st day of March, 2004.

44.1. RESOLVED that there be granted to Her Majesty a sum not exceeding six hundred twenty-nine thousand, nine hundred dollars for Advanced Education and Training:

Administration and Finance.....\$629,900

for the fiscal year ending the 31st day of March, 2004.

44.2. RESOLVED that there be granted to Her Majesty a sum not exceeding three hundred sixty-four million, twenty-eight thousand, two hundred dollars for Advanced Education and Training:

Support For Universities and Colleges\$364,028,200

for the fiscal year ending the 31st day of March, 2004.

44.3. RESOLVED that there be granted to Her Majesty a sum not exceeding fifty million, eight hundred sixty-nine thousand, seven hundred dollars for Advanced Education and Training:

Manitoba Student Aid and the Manitoba Student Loan Service Bureau.....\$50,869,700

for the fiscal year ending the 31st day of March, 2004.

44.4. RESOLVED that there be granted to Her Majesty a sum not exceeding ninety million, eight hundred sixty thousand, four hundred dollars for Advanced Education and Training:

Training and Continuing Education\$90,860,400

for the fiscal year ending the 31st day of March, 2004.

44.5. RESOLVED that there be granted to Her Majesty a sum not exceeding seventeen million, two hundred twenty thousand, six hundred dollars for Advanced Education and Training:

Capital Grants.....\$17,220,600

for the fiscal year ending the 31st day of March, 2004.

44.6. RESOLVED that there be granted to Her Majesty a sum not exceeding one million, one hundred sixty thousand, seven hundred dollars for Advanced Education and Training:

Amortization and Other Costs Related to Capital Assets.....\$1,160,700

for the fiscal year ending the 31st day of March, 2004.

B.1. RESOLVED that there be granted to Her Majesty a sum not exceeding eighty-five thousand dollars for Capital Investment:

Legislative Assembly.....\$85,000

for the fiscal year ending the 31st day of March, 2004.

B.2. RESOLVED that there be granted to Her Majesty a sum not exceeding one hundred fifty thousand dollars for Capital Investment:

Agriculture And Food.....\$150,000

for the fiscal year ending the 31st day of March, 2004.

B.3. RESOLVED that there be granted to Her Majesty a sum not exceeding seven hundred thousand dollars for Capital Investment:

Conservation.....\$700,000

for the fiscal year ending the 31st day of March, 2004.

B.4. RESOLVED that there be granted to Her Majesty a sum not exceeding three hundred thousand dollars for Capital Investment:

Energy, Science and Technology.....\$300,000

for the fiscal year ending the 31st day of March, 2004.

B.5. RESOLVED that there be granted to Her Majesty a sum not exceeding two million, two hundred twenty thousand dollars for Capital Investment:

Family Services and Housing.....\$2, 220,000

for the fiscal year ending the 31st day of March, 2004.

B.6. RESOLVED that there be granted to Her Majesty a sum not exceeding four hundred eighty thousand dollars for Capital Investment:

Finance.....\$480,000

for the fiscal year ending the 31st day of March, 2004.

B.7. RESOLVED that there be granted to Her Majesty a sum not exceeding six million, seven hundred seventy-five thousand dollars for Capital Investment:

Health.....\$6,775,000

for the fiscal year ending the 31st day of March, 2004.

B.8. RESOLVED that there be granted to Her Majesty a sum not exceeding one million, sixty thousand dollars for Capital Investment:

Justice.....\$1,060,000

for the fiscal year ending the 31st day of March, 2004.

B.9. RESOLVED that there be granted to Her Majesty a sum not exceeding twenty-seven million, four hundred forty thousand dollars for Capital Investment:

Transportation and Government Services\$27,440,000

for the fiscal year ending the 31st day of March, 2004.

B.10. RESOLVED that there be granted to Her Majesty a sum not exceeding eighteen million, seven hundred ninety thousand dollars for Capital Investment:

Internal Reform, Workforce Adjustment and General Salary Increases (An Enabling Appropriation).....\$18,790,000

for the fiscal year ending the 31st day of March, 2004.

SUPPLEMENTARY SUPPLY

27.1A RESOLVED that there be granted to Her Majesty a further sum not exceeding sixty-eight million dollars for Other Appropriations:

Emergency Expenditures.....\$68,000,000
for the fiscal year ending the 31st day of March, 2004.

CAPITAL SUPPLY

RESOLVED that there be granted to Her Majesty a sum not exceeding one billion, one hundred seventeen million, six hundred seventy-five thousand dollars (\$1,117,675,000) for Capital Supply, for the fiscal year ending March 31, 2004.

Schedule A**Incremental Capital Authority Requirements
For Non-Budgetary Programs, 2003/04**

The Manitoba Hydro-Electric Board
.....\$774,000,000
The Manitoba Agricultural Credit Corporation
.....\$126,900,000
Health Capital Program.....\$50,100,000
Manitoba Lotteries Corporation.....\$45,800,000
The Manitoba Water Services Board
.....\$24,500,000
Red River Floodway Renewal and Expansion
.....\$20,000,000
Manitoba Housing and Renewal Corporation
.....\$19,500,000
Manitoba Student Aid Program.....\$18,300,000
Diagnostic Services Manitoba.....\$13,000,000
Communities Economic Development Fund
.....\$8,500,000
Manitoba Industrial Opportunities Program
.....\$6,200,000
Special Operating Agencies Financing Authority
Fleet Vehicles Agency.....\$4,000,000
Food Development Centre
.....\$2,400,000
Red River College.....\$2,250,000
Rural Economic Development Initiatives
.....\$1,450,000

Venture Manitoba Tours Ltd.....\$700,000
Manitoba Potash Corporation.....\$75,000

\$1,117,675,000

Mr. Santos: I move, seconded by the honourable Member for Selkirk (Mr. Dewar), that the report of the committee be received.

Motion agreed to.

* * *

Hon. Gord Mackintosh (Government House Leader): I move, seconded by the Minister of Finance (Mr. Selinger), that the Committee of Supply—

I am advised by the Clerk that we are to go into Supply before the concurrence motion is moved, Mr. Speaker.

ORDERS OF THE DAY**GOVERNMENT BUSINESS**

Mr. Speaker: The House will now resolve into Committee of Supply.

COMMITTEE OF SUPPLY**Concurrence Motion**

Mr. Chairperson (Conrad Santos): Will the Committee of Supply please come to order.

Hon. Gord Mackintosh (Government House Leader): I move, seconded by the Minister of Finance (Mr. Selinger), that the Committee of Supply concur in all Supply resolutions relating to the Estimates of Expenditure for the fiscal year ending March 31, 2004, which have been adopted at this session by a section of the Committee of Supply or by the full committee.

Motion presented.

Mr. Chairperson: This is a debatable motion.

Mr. David Faurshou (Portage la Prairie): Mr. Chairperson, I have questions of the Finance

Minister in regard to his responsibilities for the Consumer and Corporate Affairs department of government.

At the late hour in Committee of Supply, we had opportunity to begin questioning in regard to the new line in the Consumer and Corporate Affairs department involving the commencement of an advocate's office involving representation and assistance garnered to persons coming before the Automobile Injury Compensation Appeal Commission.

The minister did give some information as to the start-up costs and the overall operations of the advocate's office. I was wondering about some of the figures that the minister started to put on the record, and we came to a point in time where I believe some of the minister's responses were cut short by time. I wondered whether or not the minister had any further information regarding this office to add. Otherwise, I will ask specific questions.

Hon. Greg Selinger (Minister of Finance): I think we should turn to specific questions.

Mr. Faurshou: Mr. Chairperson, I understand from the minister's response that an estimated \$190,000 is allocated to start-up costs for this office. I question the amount that is budgeted on the basis that we as MLAs, once elected, are recognized for expenditures up to and including \$10,000 for start-up costs of a constituency office which leads me to air a concern as to the rather elaborate budgetary line for this office's start-up.

Could the minister be a little more explicit as to how \$190,000 is required for an advocate's office to be started up, when representatives of the people of Manitoba are expected to start an office up for under \$10,000?

Mr. Selinger: As the member knows, we are not in Estimates now, so I do not have the advantage of having the officials who actually put that number together here, who can give me the specific breakouts on that. So I am only going to be able to give my best guess as to what I think the money is for. If I have to correct that later on, I will be happy to do that because I am going to need detailed information. As the member can

understand, I am not involved in the administrative details in setting up the office.

* (10:10)

That being said, I think that includes things like actually physically locating and renting an office and the per square foot costs for doing that. There is a lease requirement. Do not get me wrong, I recognize how humble MLAs' offices are and how we do a lot with little and provide pretty good service to the public, but I think the argument here would be that this is a professional office offering a professional service to people. *[interjection]* I understand, but we are not going to be able to set up an office, a long-term facility for Autopac claimants and advocates for \$10,000. It is just not going to happen in the real commercial world of renting real estate with probably a location somewhere downtown that is accessible to the broadest array of public accessibility as possible, particularly if we try to move something onto a street level location. There will probably be a cost. Then I think there is the technology requirements to equip that office and then the regular equipment that goes into that. You can think of computers and Xeroxes. The member can well imagine what that takes.

Mr. Chairperson, now I know in MLAs' offices they build that stuff, those kinds of equipment requirements are usually built up over a period of two, three, four years. I think they need most of this stuff right off the hop to get started. They need security arrangements because of the nature of the operation. They have to have good security because of the files they are dealing with being fairly sensitive, quite sensitive I would say.

Those are some of the general comments I could make. Then I would have to get back to the member with specific details, which I am prepared to do if he wants me to do that.

Mr. Faurshou: I appreciate the minister's response. Perhaps in light of recognizing what it does take to, perhaps a review of the, not on the high side for the advocate's office but on the low side for that of all members of this Legislature.

I would like to ask the minister in relationship to the undertaking of the advocate's office,

has this been done in consultation with Manitoba Public Insurance corporation, because the minister responded that the responsibility for this expenditure will be the sole responsibility of MPIC, and whether MPIC has had input into this expenditure.

Mr. Selinger: I do not know for certain whether or not they had input but I would doubt it. The nature of the office is intended to be completely independent from Autopac, even though they are paying the bill for it. It is part of the protection for the consumers of auto insurance services, but I think in the name of independence the notion or the conceptual design behind the office is to be completely independent from Autopac, so I do not know that we would be ceding to them any control over the budget expenditure. It is our job in the ministry, through our ADMs and our directors to make sure the expenditure is reasonable.

As the member knows, a lot of these offices are set up through Government Services. They have a branch over there that specifically looks after government facilities. I am sure they will do the due diligence on ensuring that the costs are fair and reasonable, but I do not think we would be ceding that power to auto insurance. It would conflict with the notion of retaining the office as an independent body.

Mr. Faurchou: I am having a little difficulty hearing the minister's responses. I know there is interest in other matters within the House today but—

An Honourable Member: I know my colleagues are always more than willing to listen to this detailed and enlightening conversation, but if you wish I could speak louder.

Mr. Chairperson: Order, please. Until the minister is recognized, please.

Mr. Faurchou: I want to leave on the record that I am fully supportive of an advocate's office and did lobby government while MPIC critic to create such a position in the interests of balance between MPIC and that of persons who have found themselves in rather difficult situations emanating from accidents on the roadways of Manitoba.

I do though want to caution the minister in regard to watching out on behalf of the taxpayers that dollars expended in this regard are safeguarded, insofar as the cost-effective nature of expenditures always.

I do want to then move on to the Consumers' Bureau, where we understand that more than 1650 active complaint files have been opened there, which shows that this office is active. It has been in receipt in the last fiscal year of more than 38 000 queries. Yet this current Budget is less than the previous year. I am wondering if the minister has an explanation as to why the Consumers' Bureau was seeing a reduction in support from this Government to the Consumers' Bureau, which is there to safeguard the interests of consumers, both corporate and private.

Mr. Selinger: Mr. Chair, I just want to make sure that the member is available for hearing the comment.

Once again, I do not have the detailed response from my officials here. I believe the cost reduction is related to retirements and the personnel configuration in that office and whether they are at the top end of their scale or at the bottom end. I think it is related to personnel and staffing issues and the normal turnover that occurs as people come to the end of their careers. I believe there were some retirements there that may have reduced the costs on a go-forward basis.

As far as I can recall, I do not believe we have made any reductions to service levels there in a conscious way. There was no specific design to reduce service levels in the Consumers' Bureau. I think it is related to the internal staffing configuration.

Mr. Faurchou: Mr. Chair, I wonder if the minister can elaborate on the Consumers' Bureau and their interaction regarding legislation that is of a federal nature. I am aware of a situation that involved deficiencies, shortcomings of a particular seatbelt and seat restraint for young children. The deficiencies were acknowledged. However, because that particular item is federally regulated, there was significant disconnect between the provincial Consumers' Bureau and that of the federal counterpart.

The frustration exhibited from the individuals that recognize the deficiency in this car seat were unable to see through the provincial Consumers' Bureau action in this regard to address the deficiencies which were recognized by our provincial transport personnel. I am wondering about the minister's recognition of this disconnect. Are there any plans to fortify the good work of the Consumers' Bureau on the provincial level to further the interests from the provincial Consumers' Bureau through the federal counterpart?

Mr. Selinger: In response to the member from Portage la Prairie, I think he raises an important question. In a federation there are several areas of jurisdiction such as consumer and corporate affairs which are jointly occupied between the federal and provincial government. Usually the federal government's responsibility is for anything that has an inter-jurisdictional impact. Seatbelt legislation connects to transportation. It is a Canada-wide issue.

The mechanism that we have to deal with that are federal-provincial-territorial meetings, where there is a strong capacity to communicate between the provinces, the federal government and the territories towards jointly tackling problems. I will take that specific issue as notice. I will endeavour to find out where that stands.

I can inform the member that the next federal-provincial-territorial meeting will be in Winnipeg this fall in November, I believe. It will be co-chaired by myself as the provincial chair for the provinces and the federal minister responsible for consumer and corporate affairs, Allan Rock, who is the Minister of Industry.

* (10:20)

So we can raise that. There are other issues we are going to raise as well, because some of these problems cannot really be tackled very effectively only at a provincial level. You can imagine the car manufacturers. They are not going to be particularly responsive to a jurisdiction like Manitoba with 1.2 million people when most of the manufacturing and most of the sales are in other parts of the country.

So we really need federal leadership on improving these safety measures. If there is a

specific thing the member thinks I should be taking up at that meeting with respect to automobile safety, I would be happy to know about that and see whether I can get it acknowledged and dealt with by the federal minister either through the meeting or through direct correspondence and conversation with him, because anything we can do to save lives in this regard, I am completely open to how we can further those interests.

Mr. Faurschou: I appreciate the minister's response. Why I raise this issue is that it was clearly identified, and it was just bureaucratic red tape that seemed to be the impediment to getting this resolved. It did get recognized at the provincial level, forwarded to the federal level. The federal level recognized the concern, asked for the manufacturer's address.

However, when it filtered back down to the actual consumer level of this product, the update that came through was very deficient in instruction as to how to install the update, and to get recognition and a true hands-on common sense resolution to this deficiency again was stymied by red tape going all the way up and back just to get a simple piece of paper that described how the installation of this update was to be accomplished by the owners of this car seat.

So I hope the minister can, when meetings do take place, take specific cases and perhaps do the litmus test to see how quickly an issue that is recognized can be resolved and then effectively carried out, because if there is a glitch, then you do not have to start the whole procedure from the get-go again. There is a follow-up procedure that is streamlined right through the bureaucracy, that goes to the manufacturer to acknowledge that, in this case, a very simple rewording of the language for installation of the update is carried out.

So I appreciate the minister's understanding of this situation.

Mr. Selinger: The member obviously has quite a bit of information and knowledge about this specific piece of equipment, and I wondered if he would follow up from our discussion today to let me know in greater detail what item he is

talking about. I still cannot quite get the exact picture of it in my mind. Then I would be happy to sort of ask again back into the Consumers' Bureau what happened with that and what the follow up is, and maybe we can close the loop on this if he can give me a little more precision.

I take it it is something to do with the child restraint, the child seat in a car and the buckle related to that and how easy it is to install and make sure it is used properly for child safety. Any detail the member could give me would help me.

I mean, I am taking it that in his former critic role or current critic role even with the former government and with some of my predecessors, he has been pressing for some improvements in this area. Where it is at now is that there is a sort of fuzzy piece of information out there about how to make this buckle work properly, and you are still not satisfied that the consumers are getting good information on how to make this device work properly.

If that is the case, maybe you could give me what piece of equipment, and I will undertake to follow up what the details are on that. I think I get the global nature of his problem, but I need the specific information.

Mr. Faurichou: I appreciate the minister's interest in this particular example, but I use it as a generic example, and it is, I believe, resolved at this point in time. But it took more than two and a half years to resolve an issue that came from a car seat design that was a preformed vinyl plastic that caused more than discomfort. Actual physical problems emitted from the design that did not give support to the spinal column and lower back area of the young person occupying the seat. This frustration of persons that were in possession of this car seat—the children that were in the car seats were well out of the car seats by the time the issue got resolved. Something like this should have a very streamlined mechanism with which to get it resolved before the child is out of the car seat. This is the emphasis to which my comment is today.

Mr. Selinger: Mr. Chairperson, I think I more clearly understand what the member is saying. He wants a fast-track mechanism for federal

responsiveness to provincially generated issues on consumer safety matters. I will undertake to see what the mechanism is now and how we can speed it up. Certainly there is no difficulty communicating with the federal minister. I am quite prepared to do that if he has a specific safety concern.

I have, as I am sure the member has, for many years watched the *Marketplace* program. They always wail upon the federal government around safety issues like child restraints and automobile safety. I have seen many effective programs they have put on and their frustration in getting a response. Let us be clear here. Sometimes, even when the federal government is moving on a safety issue, there is the lag time with the manufacturer of the product, whether it is the automobile company or the child seat manufacturer, not moving quickly enough to rectify the situation. I take his point. He wants a faster-response mechanism and a faster implementation and enforcement mechanism to ensure safety of Canadians. I think that is very important. I will bear that in mind at my meetings and see what mechanisms we have in place and how we can make them more effective.

Mr. Faurichou: Mr. Chairperson, I appreciate the minister's response. I would like to move on to the Residential Tenancies Branch. In regard to the Residential Tenancies Branch, they are a group of individuals whose work is extremely important to resolve disputes between landlords and tenants. This agency is very much appreciated and extremely busy. Again we are looking at some reduction in support personnel employed within that division. Is this, once again, a changeover of staff that has resulted in a reduction in support for this branch?

Mr. Selinger: Again I can say there is no policy direction to reduce staff support there. The member is correct. That is an agency that does tremendously valuable work under a lot of stress. They have tremendous demands on them particularly from tenants who are stressed out by some of the larger-than-guideline increases which have been occurring in the last four or five years.

I am assuming it is simply the staff patterns and what the salaries are. We have a vacancy

rate policy which may be a factor as well. Across the entire Government we are managing vacancies and managing staffing in that regard. So it is those generic policies, but there is no specific policy to encumber their ability to do their job.

The other thing I can tell you is that there has been an investment in new technology in order to provide a more effective ability to manage issues that are coming in the door. That new system has been a long time coming into play, but there is some significant upgrading in their ability to have computer-aided support for the work they do. As you know, they have to keep track of a huge number of apartment units and all the related information to that. They are getting some additional support as they adapt some of the new technology and the new computer software to their purposes in that department.

Mr. Faurschou: I know all persons are waiting with the hopes that this new technology will aid in the carry-on of their duties. It is overdue in almost everyone's eyes that this technology needs to be in place and as soon as possible.

*(10:30)

In regard to the Residential Tenancies, I know the minister just alluded to the concern that both landlords and tenants have in regard to the low vacancy rate. It is not only in the private sector but in the public sector as well. I am wondering whether or not there is contemplation, at this juncture in time, by the minister to review the current legislation that prevents the rise of rental rates by landlords. It includes that of the Province to recognize the need to upgrade and keep accommodations in the best order. I am wondering whether the minister is contemplating a review or potential change to legislation that restricts the rental rates.

Mr. Selinger: I think the member is aware that there are some interest groups in our communities that think rent controls are a barrier to new housing construction. The member will also know that we have lifted the ceiling on new construction for rent controls—no rent controls for 15 years now as opposed to the former policy of the former government of only having a 10-

year exemption from rent controls. So we do have a 15-year exemption now.

I am actively encouraging representations from groups on other ideas on how we could improve rent controls, and I will be meeting with the Real Estate Board and the Property Managers' Association as well as consumer groups, tenant-related groups and social organizations to get their views.

I should let the member know that other provinces are bringing back forms of rent regulation. They have discarded them, and now they realize that they need to have some form of rent regulation. For example, British Columbia is bringing back rent regulation measures in their jurisdiction.

We want, obviously, the apartment market to flourish, as we do the housing market, which is flourishing in the province right now. I am informed that the prospects are good for new construction of apartments to accelerate. We have about 400 units in the pipeline this year, being constructed as we speak, which is a significant increase over previous years and conditions are looking favourable. There is demand, which is always the first condition for a market-based response.

There are low-interest rates, which makes the cost of construction somewhat more attractive. I am getting information from the federal Central Mortgage and Housing corporation. I think they recognize that they have to start providing more supportive policies for new apartment construction. I understand that they are looking at some improvements to the mortgages that they support. In other words, longer mortgages which makes the front-end costs go down. I am getting more information on that, but the research people in Consumer and Corporate Affairs inform me that there are a number of projects starting to come into focus in the private sector for new apartment construction in Winnipeg, and I think we will see some increase in activity.

On the public side, there is the affordable housing initiative which has been announced by the Minister of Family Services and Housing (Mr. Caldwell). That is a federal-provincial and

municipal program. All three levels of government have dedicated some resources to that, and there are projects starting to come forward on that as well. So I think we will see increased apartment and housing activity in the city and across the province as we go forward, and we certainly will be encouraging that. I am looking for ways to encourage that kind of activity to respond to the demand for units as the demographics of the province shift and more folks in the boomer generations are starting to think about retirement and perhaps getting out of a larger home, maybe getting into either a life-lease or an apartment or a smaller home. We want more choice to be available to Manitobans in this regard.

Mr. Faurschou: Mr. Chair, I just want to emphasize to the minister that the current federal-provincial-municipal program which he mentioned right now is focussed on Winnipeg and a couple of other centres in and about Manitoba, but I wish for him to review the demographics as he recognizes there are other centres in and about the province that are equally in need of affordable housing and not to when next this is negotiated to bring that point to the table that centres like Portage la Prairie and Carman. I reluctantly say other centres, but there are situations that need that.

Mr. Selinger: I thank the member for that point. I think that is correct. In terms of private sector incentives, they are available on a universal basis in terms of low interest rates, in terms of rent controls being lifted for 15 years on new construction. Those are universal policies.

Mr. Chairperson, the Affordable Housing Initiative, I will have to check with the Minister of Family Services (Mr. Caldwell), I believe that has a province-wide mandate. I do not think it is restricted necessarily to any centres in particular. Affordable Housing Initiative, I am informed by the former Minister of Housing—he is keeping *au courant*, he is keeping current with that portfolio—is a province-wide initiative, so those things are there.

The targeted programs I think the member refers to are the Neighbourhoods Alive! initiatives. Those are in places like Brandon, Thompson, Winnipeg. There is a case to review the

availability of those resources in other areas as well.

But certainly the Affordable Housing Initiatives, whether it is public housing, non-profit housing or private sector housing, have universal application throughout the province. If the member has some groups in his communities that want to take advantage of that, those resources are available to him.

Mr. Faurschou: Mr. Chairperson, I appreciate the information, and, yes, I was being more specific to Neighbourhoods Alive! than I was to the other programs.

Just in relationships between landlords and tenants, there is a frustration in the landlord sector about concerns to property and maintenance and even payment of utility expenses by tenants. It is coming to the point that landlords are getting increasingly selective to renting to individuals on the basis that they are being held more and more accountable for costs emanating from the tenant. When the tenant fails to be responsible for those expenditures, the landlord is left holding the bag, so to speak.

So I am asking that the minister make certain that legislation is reviewed that does indeed create a balance between landlord and tenant when it comes to arrears, utilities that remain outstanding. Let us take water consumption as an example, the municipalities basically have no recourse other than to go after the landlord who ultimately owns title to the properties that receive that particular service. The landlord, in many cases, does not have recourse in order to get the monies from the tenant to satisfy the municipal requests.

Mr. Selinger: Yes, I thank the member for that. He is correct in his description that most municipalities charge utility arrears to landlords that tenants do not pay, but, if I am correct, I think the landlord has the choice of including the utilities within his rent or to just have a rent plus utilities arrangement with the tenants.

So if the landlord includes the utilities within his rent, then he can recover it through the rental process on a global basis. If the landlord chooses for whatever reason to just have a rent

plus utility cost with separate metering for each unit and that individual who is the renter in that unit does not pay those utilities, then the municipality usually tries to charge it back to the landlord.

* (10:40)

So there are various arrangements landlords can make. We can get into the complexities of why they design their rent either including or not including utilities. Sometimes there is a need for upgrading facilities within buildings that requires some capital investment. The member should know that there are different amortization periods for capital investments. They range from four to six years for capital investments. Then they can apply for an above guideline rent increase. That rent increase is permanent even though the amortization period is no more than six years.

There are many tenants that are complaining about this. They are complaining that they are seeing above guideline increases, one, two, three years in a row for improvements which can be written off over four to six years. There are two sides to this story. You are right. The trick is to find a right balance.

The rent review agency does a very good job trying to decipher the bills and understand what is fair and reasonable, what should be included. Then there is a rental review appeal board where citizens are appointed to adjudicate these things to find the right balance between tenant rights and landlord rights and what the right mix should be to ensure people have safe and affordable accommodation.

I think we do it reasonably well in this province. These rent controls have evolved over 20 years; well, not rent controls, rent regulation has evolved over 20 years. The one fact that I became aware of this fall and I pointed out to the member is more than 61 percent of all the units in Winnipeg have had above guideline increases since '99.

Mr. Faurshou: I do recognize the last point the minister raises but we are facing a significantly low vacancy rate. Alternative accommodations are scant, so persons are almost forced to take

the rent increases. You do need a mediator. I will in the Residential Tenancies Branch which is there in support of renters and landlords. I think we need to really step back and take a look for the interest long term of both parties. I encourage the minister in that light to continue it.

Ms. Bonnie Korzeniowski, Acting Chairperson, in the Chair

There are concerns about eviction and attempt to evict individuals that are causing significant damage to properties, the length of time it takes to get through the eviction process where continuous damage on a daily basis is being documented and there really basically is no way by the landlord to fast track to preserve his property which he or she is seeing devalued on almost a moment by moment basis. This is an extreme frustration to landlords. I hope the minister will bear this in mind as well as he reviews regulations.

Further to that I would like to move on to the Consumer and Corporate Affairs responsibility for Financial Institutions Regulations Branch. Now I am not certain as to whether this responsibility is for The Pension Benefits Act. I know it does come under the Pension Commission which is a responsibility of Labour and Immigration. I do want to ask the question because the credit unions fall under the Financial Institutions Regulations Branch and we have seen significant numbers of letters of concern regarding the review by persons employed by the credit unions across the province of their pension benefits.

I am wondering whether the minister is familiar with the Pension Commission's undertaking to review and provide recommendations to amend The Pension Act.

Mr. Selinger: Yes, I am aware, in general terms, about the pension review process. The member is correct that legislation is the responsibility of the Minister of Labour (Mr. Ashton). He is also correct that the Consumer and Corporate Affairs Minister is responsible for financial institutions. I am aware that certain employees and leaders in the credit union movement have made representations to the Pension Commission with respect to their views on what flexibility there is for

individuals to draw upon their RRSP savings, LIRF resources and the flexibility they have in using those resources as they get to the stage in life where they believe they need them. This is one of the important issues arising out of that review of pension benefits. I am sure as that paper, or that discussion document made by that review committee goes public we will have much more public debate about this. It is one of the more interesting and more important aspects of the pension review process.

Mr. Faurschou: I really appreciate the minister's being familiar and keeping himself abreast of developments, but does he have responses to the timeline for the commission's recommendations coming forward?

Mr. Selinger: I cannot speak for the Minister of Labour (Mr. Ashton). The Minister of Labour I am sure, will be making a timely decision about the release of the pension review committee's work. *[interjection]* I understand from the Minister of Labour that document is currently being translated and that he is looking at releasing it, I think it would be safe to say before the next official celebration of Christmas. Some time in that time frame would be reasonable. *[interjection]* He says it will be before the new year. He is not committing as to whether it is the Christian new year or the Greek Orthodox new year but he will release it before the new year—*[interjection]* or the Ethiopian new year.

He is working on it and we understand there is a desire on the part of the public to continue to engage in this issue. I think we will find that when the report is released it will give lots of fodder for public debate as we go through this process. There are many important issues to debate there.

I do not want to launch into a pre-emptive debate right now but I am certainly waiting for the report to be released and I think, like the Member for Portage la Prairie, we will all have a lot to say about how pension legislation should be crafted for the future benefit of Manitobans.

Mr. Faurschou: I thank the minister for his response. I do want to though emphasize that my understanding from numerous credit unions, that they are experiencing what can commonly be

referred to as a brain drain to other jurisdictions that have already put through changes in the name of pension reform and persons that have a great deal of experience are making moves to jurisdictions such as Saskatchewan to complete their working career, which then affords them the flexibility that pension reform in that province provides. So an expediting of the commission's review and ultimate comment to the recommendations I would like to emphasize be expedited as is possible or feasible.

Further to financial institutions regulation, I want to ask the minister as to their view of considerations to expand the number of services afforded that from the credit unions. I know there has been a lot of discussion between the insurance industry and the banking industry and there is ongoing discussion as to the services that can be provided for by the credit unions.

Is the minister available for comment as to his understanding of those discussions and potential regulatory changes?

Mr. Selinger: The member is correct. There is a long-standing demand on the part of banks at the federal level to have access to providing a full range of insurance services and there is a long-standing lobby by the insurance brokers, many of whom are small business people rooted in their local communities, not to let the banks have access to that field of commercial activity. They believe if the banks were able to directly compete with the insurance brokers that many of these small businesses would be run out of business. That is the scene at the federal level.

I know there were attempts to change it at the federal level and a very, very powerful lobby by the insurance brokers and insurance providers against it. Ultimately the federal government decided that banks should not be able to directly enter into the insurance business.

* (10:50)

Similarly in Manitoba, credit unions would like to offer a full range of insurance services. The member, I think, knows already that there are companies held and owned by the credit union movement collectively, such as CUMIS and other companies that do provide insurance

services, but they cannot directly offer those services through the credit union outlets themselves. They can refer them to those agencies that they own for those services.

So the credit unions do have a strong presence in the insurance field, but they cannot make it a direct service right at the counter. They have to sort of make a referral to that agent for that insurance company that they have an ownership stake in, and similarly in Manitoba, the independent insurance association is adamant that they do not want the credit unions to be able to compete head on with them for insurance business. They think it will cause a significant loss of business for them within this province.

So this is a very important issue. Right now we do not contemplate deregulation to allow full-out competition between credit unions and insurance brokers. The issue we are constantly monitoring and reviewing, but I have no specific plans to allow for full-out competition by the credit unions with the independent insurance brokers. I think anything we do in that regard might have to be synchronized with what the federal government is considering with respect to the banks. We have to think about this, not just inside of Manitoba but nationally as well. I am just giving the member the best information that I have at the moment about where it stands.

Mr. Faurschou: Madam Chairperson, there is once again balance. The independent insurance brokers association also want to be considered for that retirement package that involves the investment component in portfolio in which insurance does have a part to play and they, too, would like to see changes so they can afford themselves a wider-ranging service package as well. I think that the minister is quite understanding that both parties here have interests to expanding into the other's more traditional service-package area.

Madam Chair, I know that my colleague from River Heights has a couple of questions at this juncture in time. I will sit and turn the floor over to him. However, I do have two further questions that I would like to pose, but I am wondering is the minister familiar as to when we move on as agreed upon by our House leaders to the next minister.

Mr. Selinger: I do not see either of the House leaders here now. So I think the member may wish to take the opportunity to consider pursuing questions.

Hon. Jon Gerrard (River Heights): My question concerns a matter I raised earlier on, which is in regard to BSE. This is one that is a federal-provincial consumer issue, the importance of consumers being considered adequately, particularly with regard to cows over 30 months. The U.S.A. has decided that these are animals which may be at risk of having BSE. The international panel said very explicitly that it is a possibility that Canadian animals may have BSE because of the contaminated feed that was present some time ago. There have been public statements recently from knowledgeable veterinarians and others to the effect that it is very probable that there may be animals in Canada with BSE. How many, nobody knows. It is probably a pretty low number. The risk is pretty low. I had a phone call from a woman the other day who is concerned that she has been eating beef over 30 months, that there may be risk of BSE, and she feels very strongly that there should be a provincial guarantee and that such animals should be tested. I would ask the position of the minister.

Mr. Selinger: As I indicated in Question Period, the Canadian Food Inspection Agency is responsible for this function. That is a federally-funded agency. It behooves the member to do more than just put his letter on the record with the federal government but to strongly encourage that they do the testing that he wants.

Is it reasonable to download that responsibility on all the provinces when it is a federal responsibility? I think that is a very important question to be answered. He has to remember that up to now the Province has been well in advance of the federal government in developing helpful responses to the cattle producers and the public in terms of ensuring that the issue was addressed and the federal government has been a lagger, in effect, in coming along and finding an appropriate partnership with the provinces to respond to this problem, not only in Manitoba, but in other provinces across the country.

So, obviously, we want the food chain and we want specific food products to be safe. We

want the federal government to do their job, and I would hope the member would take his concerns to the appropriate level of government responsible for that function and ensure that they are carried out to the extent necessary to ensure the public has a sense of security about their food supply.

Mr. Gerrard: I know that the Province is considering investing and encouraging the development of a plant in St. Boniface that would kill cows over 30 months, and I wonder about the Minister of Consumer and Corporate Affairs and his view in terms of whether all cows going through there should be tested for BSE, considering that there is provincial money in.

This is clearly a provincial as well as a federal responsibility. Is the minister abdicating his responsibility? Has the minister at least written to the federal minister about this issue?

Mr. Selinger: It is the Minister of Agriculture (Ms. Wowchuk) who has represented the Province on this issue, and she represents all of us when she does that. I have been working closely with her on the entire BSE crisis, and I know the provincial Minister of Agriculture has conveyed her concern that the Canadian Food Inspection Agency continue to do its job and do it effectively. We believe that if they do that, the food supply across the country will be safe, and that includes Manitoba.

Mr. Gerrard: I would ask the minister, who is the minister for consumer affairs, the importance of consumers in this province, making sure that consumers are looked after, that they in fact have a guarantee of food safety.

Would the minister table the letter, the communication, to the federal Minister of Agriculture from his Government which asks for high food-safety standards?

Mr. Selinger: I cannot speak for the Minister of Agriculture and I do not know whether or not she has a specific letter on that issue, but I do know that she has emphasized over and over again in her conversations with the federal minister the importance of the role of the Canadian Food Inspection Agency. I will ask her if she has any correspondence on that. The member is free

to ask her himself if he wishes, but we do believe the Canadian Food Inspection Agency should do its job and ensure that the food supply is safe. Our job is certainly to ensure that that happens by advocating that the federal government do its job.

I wonder how appropriate and fair it is for the member to demand that we take over federal responsibilities in this regard. He seems to have a desire to download a range of federal responsibilities onto the shoulders of the Province, and how fair and reasonable is that when the federal government has been the slowest of the responders to this BSE crisis in this country and the least reluctant to be adaptive and finding solutions to this problem, not only to ensure safe food but that the cattle producers can continue to function and keep their industry alive?

But I take the member's point that we want to have safe food, and I can assure him that we will be in the front lines of supporting that any food products produced in Manitoba are safe.

Mr. Gerrard: This is a fundamental issue of consumer rights, and it is very important that consumers have a representative. It is unfortunate that this Government got rid of the single minister responsible for consumer affairs and put it with Finance. Many are concerned that there is inadequate representative for consumers and importance of consumers.

Madam Chair, when AIDS and hepatitis came along, people buried the fact; they hesitated to test for several years. It caused no end of problems down the road. The risks here are probably far less, but, nevertheless, from what we know, it is probably not zero. It is time to be testing.

When will the Minister responsible for Consumer Affairs stand up and be counted and make sure that this voice of consumers in Manitoba is represented well?

Mr. Selinger: I can assure the member that the consumer voice will be taken into account and represented well in any decisions we make to have food produced inside this province, and we will ensure that the federal agency that is

responsible for doing food inspections is held to account for the work they do.

* (11:00)

Mr. Faurschou: Madam Chair, in reviewing responsibilities under the Consumer and Corporate Affairs department, there are a significant number of acts, probably more legislative acts than in any other responsibility as a minister at the Cabinet table. One act that is not here effectively recognizes information technologists engaged in the industry that are responsible for private and confidential individual information.

There is an association that effectively gives guideline to individuals that have that responsibility, whether they are employed in insurance agencies, the doctor's office or anywhere in sensitive, secure personal information when it is placed into that cyberspace library that individuals engaged in that responsibility can through their own integrity and feeling of responsibility become members of the nationwide and provincial chapter of information technologists and technicians. However, there is no provincial legislation that backs up this association's protocols.

I am wondering whether or not the minister has had any deliberations with persons involved with this association or has any deliberations with his department personnel in consideration of legislation that will bring forward the strength of law to preserve the integrity of the personal and confidential information that is at the fingertips of individuals in these employs that would effectively safeguard and preserve the integrity of that information.

Mr. Chairperson in the Chair

Mr. Selinger: Before I give a more complete answer, could the member identify again which association again he is referring to?

Mr. Faurschou: Mr. Chairperson, I believe it is ITT, information technology technicians, but I stand to be corrected in that regard. It is an association of individuals that are engaged in the input of information on sensitive matters in industries such as the insurance industry or banking industry or the medical doctors' clinics. All of this information is put into the technology system by these individuals that effectively right

now are only regulated internally by one's own discretion or want.

Mr. Selinger: Mr. Chairperson, the member raises actually a very interesting area. The relationship between new technology, electronic means of storing and transmitting information and personal privacy is a very important interface between the technology and the privacy issues of individuals in this country. People are not aware of just how much information may be stored about them in these various electronic devices such as servers, e-files, et cetera.

There is a review going on of the FIPPA legislation in this province. As you know, there is also personal health protection privacy legislation in place. I think that the legislative review will have to ensure that all sources of information that are kept on individuals in our society have certain safeguards built into the use and transmission of that information.

This is not just provincial jurisdiction, because the member knows full well that electronic information with a keystroke can be transmitted literally around the world.

It is also a federal responsibility. I would suspect even the federal government feels somewhat frustrated in their ability to regulate the transmission of this kind of information because, with the Internet and the incredible computing capacity we have available to us now, information can literally be spread around the world in an nanosecond.

We have a huge challenge here to protect people's privacy, particularly from information which may not be accurate. A rumour or a scurrilous piece of information could be transmitted very quickly and cause a lot of grief to an individual, sort of the tabloid phenomena gone electronic around the world. In our review of legislation, we are looking for more effective ways to protect personal privacy in all the domains where information might be stored or located, recognizing the limitations of a provincial government to do that in a context where technology has global reach and accessibility.

Mr. Faurschou: I would like to yield the floor to my honourable colleague from Tuxedo, but

with a final comment to the minister in regard to this area: It is recognized that technology is ever expanding but it always comes back to the individual who has the wherewithal and responsibility in this area. Currently we are leaving it up to the employer and individual contracts of employ. It is a concern as this industry continues to expand and technology continues to expand. I am asking the minister for his consideration, that he meet with the individuals in this area of responsibility to consider the enactment of legislation that will backstop this particular association. I promise the minister I will get the accurate name and contact of this association for him.

Mr. Selinger: I thank him because if they have specific recommendations or ideas of protections that should be afforded Manitobans I would need to know the name of that association and what their recommendations are so I can follow up on it.

I am not responsible for the FIPPA legislation. That comes under the Minister of Culture and Heritage (Mr. Robinson). If the member advances to me that information, we will try to pass it on to that minister and see what the consumer protection dimension of that is.

Mrs. Heather Stefanson (Tuxedo): Just before I begin my questioning, I had a few questions of the Minister of Finance and of the Minister of Education (Mr. Lemieux), so I may be flipping back and forth a little bit.

I just wanted to say I guess we only have until about noon now, so I may have some questions that may spill over until Monday as well. I just wanted to ensure to give the ministers a heads-up on that.

My first question, I guess, is for the Minister of Finance. With respect to the Sunrise School Division labour dispute, Mr. Chair, I would like to ask the Minister of Finance if he could give me a job description for Mr. Lloyd Schreyer who works in his department.

Mr. Selinger: I will have to undertake to get that for the member. The short answer is that he is the secretary to the Compensation Committee.

Mrs. Stefanson: Are there just sort of general responsibilities within the department that the minister could just outline for us? I appreciate he will undertake to get me a detailed job description, but just in general terms could he let me know what this individual, Mr. Schreyer, is responsible for within his government department?

Mr. Selinger: The secretary to Compensation Committee role, I think, is similar to what it was with the previous government. It simply provides information to members of that committee on compensation issues in order that they can understand the dynamics of those issues and follow up on any specific recommendations or actions that are needed to address issues as they emerge.

It is a role that also was fulfilled under the former government. The secretary to Compensation Committee was a role that we inherited when we came into government. It really coordinates information for members of that subcommittee.

Mrs. Stefanson: I thank the minister for that, and I would really appreciate it, too, if he would endeavour to get me a copy of the job description, a detailed job description for Mr. Schreyer. That would be much appreciated.

I just wonder if the Minister of Finance can also inform the committee when he received the March 24 letter that was addressed to the Minister of Education (Mr. Lemieux) that this minister was referring to or has referred to in Question Period for the last few days.

* (11:10)

Mr. Selinger: The letter was received by the Minister of Education.

Mrs. Stefanson: When did the minister receive the letter from the Minister of Education?

Mr. Selinger: I am not exactly certain of the date of that. I think the point is the letter was received by the Minister of Education. I believe it was in March.

Mrs. Stefanson: Mr. Chair, is that when the Minister of Finance personally learned about the wage gap in Sunrise School Division?

Mr. Selinger: Once again I do not have a specific date when I became aware of that. I think it was in the late March-early April period that we became aware of the issue. Certainly, as the dispute failed to resolve itself without going on strike, then more information was provided to us about the nature of the problem.

Mrs. Stefanson: Again to the Minister of Finance, the strike in the Sunrise School Division began on April 8, and I believe mediation began on April 10. I am just wondering what day Mr. Schreyer contacted MAST.

Mr. Selinger: I would have to check with the employee about the first time he contacted MAST. If I understand it correctly, I think it was only on the day that the strike started. I believe it was April 8, but that would be subject to verification.

Mrs. Stefanson: I am just wondering if the Minister of Finance can answer, did the Education Minister speak with the Minister of Finance on this topic, the Sunrise School Division strike, before Mr. Schreyer got involved in the dispute.

Mr. Selinger: I am not sure about the appropriateness of discussing confidential conversations among Cabinet colleagues. All I can say is that Cabinet meets at least weekly, and there are many, many informal conversations among Cabinet members on a great variety of issues on practically a daily basis.

I do not keep a detailed record of every conversation I have, but I can tell you I am in communication with all my Cabinet colleagues on an issue-by-issue basis on a daily basis and certainly collectively once a week.

Mrs. Stefanson: I was not asking about Cabinet confidentiality or anything that happens there. It is just simply I know the Minister of Education (Mr. Lemieux) had passed on a letter dated March 24 to the minister. I am just wondering if any discussions took place as to this dispute, but, you know, the minister can choose to not answer that question if he so wishes.

I am just wondering did the minister speak with Mr. Schreyer about the Sunrise School

Division strike dispute before Mr. Schreyer contacted MAST.

Mr. Selinger: Well, once again, the secretary to Compensation Committee provides regular updates on labour issues across the province. I do not have a specific record of when and where we talked. But it is the responsibility of the secretary to Compensation Committee to keep the members of that committee abreast of issues that are going on, and without having a specific log in front of me, I would assume that we would have been brought up to date on these issues on an ongoing basis.

Mrs. Stefanson: So you had ongoing discussions with Mr. Schreyer during his dealings with MAST and the mediator during the strike dispute.

Mr. Selinger: The member might be trying to be too specific in her construction of my answers. We have ongoing discussions on a wide range of matters on an ongoing basis. I do not think the member should take from that that there were specific instructions or specific directions on specific matters. She should take from that that there is broad range of discussions on compensation matters on an ongoing basis on all those matters as they relate to issues within the jurisdiction of Manitoba.

Mrs. Stefanson: I am not trying to put words in the minister's mouth. I am just trying to find out what happened here and sort of the time line as to what took place with one of his employees who intervened in this process, but once again the minister can choose to answer or not to answer specific questions that we ask during these deliberations.

I wonder if the minister could answer: Who was Mr. Schreyer's contact person in the Education Department during this period of time?

Mr. Selinger: First of all, I would just like to say that any employee in the provincial government is not a specific employee of a minister. It is an employee of the public service and is an employee of a collective organization called the provincial government of Manitoba. So the characterization of being my employee, it might be a little bit too narrow of a construction of the role

of a public servant in the Province. They are an employee of the Government as a collective body. That is the proper legal relationship.

The ongoing contacts between an employee and representatives of the employing authority in school divisions, once again, I do not have specific knowledge of the times and the places or whether or not those specific contacts would have occurred. I do not even know if it is appropriate. I do not think ministers have the time or the inclination, or I am not even sure it is appropriate that they are involved at that level of detail about how a specific employee undertakes to fulfil their responsibilities. So I just do not have that level of detail of information that I can provide the member.

Mrs. Stefanson: Well, I beg to differ with the Minister of Finance. I believe it is his duty, as this is the employer of this employee, to be up to speed with what is going on with this employee and what he is agreeing to on behalf of the taxpayers of our province. You know, there was half a million dollars of taxpayers' money that was given to the school division to help end a strike dispute.

I find it unbelievable that the Minister of Finance does not believe it is his responsibility and it is beneath him to be on top of what happens with taxpayers' money in this province. I find that very disrespectful to the taxpayers of our province, but I will ask the minister if this employee was in contact or directed to contact anyone in the Labour Department with respect to this issue.

Mr. Selinger: Mr. Chairperson, I think the member has misconstrued my comments in her response to them and I do not think her framing of the comments I made is accurate or even fair, to be blunt about it.

A professional employee conducts their business on a day-to-day basis using their professional discretion. That is why they are called professionals. It is not appropriate for ministers to be involved in the specific day-to-day activities that a professional carries out. Their job is to carry out their job description to the best of their ability in a professional and ethical manner.

I have put the specific facts in broad terms of what this member's role was. He made a contact, as I understand it, with the Manitoba Association of School Trustees on April 8 to offer mediation as a potential solution to a labour dispute where the strike was already in process. One element of the employed workforce that was on strike were transportation employees. This affected up to potentially 2000 children and he offered mediation resources, voluntary mediation resources, where both parties had to agree to accept to take on that mediation function as a mechanism to resolve their labour dispute.

Mediation can occur a number of ways. It can occur voluntarily. Each party can independently decide whether they want to accept mediation. They do not necessarily have to receive that service through the Department of Labour. They can receive that service outside of the Department of Labour as long as they can both agree on who the mediator can be. In this case, they chose a mediator that they were both mutually comfortable with. That mediator worked with them to resolve this labour dispute. That is an often practised mechanism for resolving labour disputes in this province. I think it was done, as I understand it from the facts I have, in a professional manner, in a way that reduced the dislocation of children from getting their education.

* (11:20)

Mr. Glen Cummings (Ste. Rose): Well, I think the Minister of Finance may be committing not so much an error of commission but an error of omission in what he is not responding to in the answers to the questions. Somebody, presumably he or somebody else in his administration, directed Mr. Schreyer to go forward. He can talk as much as he likes about the professionalism of employees. This issue has been boiling for a number of days. I would suggest he knows precisely whether or not the employee was given instructions on what to do in their contact with MAST.

I would remind him the same as I reminded the Minister of Education (Mr. Lemieux), they can make this all go away in 30 seconds if they

just cough up the information. What are they hiding?

I would ask the Minister of Finance, as the responsible minister, and he can say he does not nor should he know day to day what is going on with every employee in his department. This one is pretty specific, Mr. Minister. It appears that someone in this Government gave instructions to try and buy peace in a labour dispute on the eve of an election. I do not think any employee of government, politically appointed or otherwise, would go out there and do that without some direction and some parameters. The public deserves to know what those parameters were.

Did Mr. Schreyer involve himself in the mediation? The Government seems to want to hang its hat on the mediation process. Was Mr. Schreyer involved in the mediation? Was he given instructions to take information to the mediation process? Like, here is a cheque. Is that the kind of instruction that he got?

Mr. Selinger: First of all, the Member for Ste. Rose (Mr. Cummings), I think when you look back on a set of events, you sometimes read into them things that may not have been known at the time. First of all he describes the process as appearing on the eve of an election. That is easy to say now. At the time, there was not certainty that there was going to be an election. There was no official announcement. There was no official information that there was going to be an election. There were a number of contingencies—*[interjection]*

Mr. Chairperson: Order, please. The honourable Minister of Finance has the floor.

Mr. Selinger: I hope the Member for Ste. Rose would give me the same courtesy I gave him in listening to his question and his response.

Once again, I have to put on the record that I personally did not know that there was going to be an election on that date. The Premier had not conveyed any information to me that he was definitely calling an election. The world knew that we were coming up well over the three-and-a-half-year mark on our first mandate and that there was discussion of an election coming somewhere in the order of four years into that

mandate. We knew in general terms that that was a window of possibility. Nobody knew for sure that was coming. I think it is important to amend the record to make that fact absolutely clear, because the members are building a conspiracy theory here, ex post facto, after the fact. They are building a conspiracy theory based on information that they have now that did not necessarily exist at that time. That is an important point to put on the record to get started.

Secondly, the mediation process, mediators do what mediators do. They try to bring the parties together to find a resolution to a dispute that the parties themselves have not been able to resolve on their own. That is what a good mediator does. We were fortunate in this case the mediator that was selected by the parties was one that was not only credible and acceptable to both the employers and the employees' agents but was able to craft a solution that allowed the dispute to be resolved in a fair and equitable way, both parties believed, otherwise they would not have agreed to it, and spread the solution to that problem over three years, with two thirds of that responsibility being accepted by the newly created Sunrise School Division.

I think the member will remember in the early days of our last electoral mandate that one of the components of that new Sunrise School Division, as I recall, was Agassiz School Division, and that Agassiz School Division had a fairly significant financial problem. I believe it was in our first couple of years of office there was information in this Legislature about a serious financial problem that school division had.

So as one of the merged units in the new entity, there became with the construction of this new school division a significant wage disparity between some of the employees in that group, a wage disparity up to 60 percent. The solution was not one that could be arrived at immediately but over a period of time, in this case, three years. The mediator was able to construct that solution with the voluntary support and participation of both the employers' and the employees' bargaining groups. It seems to me that was a responsible approach that resulted in an outcome that both sides felt they could live with.

Mrs. Stefanson: The minister touched on a very important point, wage disparity. Obviously, this

is a very significant issue that has resulted directly from their decision to force school divisions to amalgamate. What we have seen here is there has been absolutely no plan put in place. This minister was not the Minister of Education (Mr. Lemieux) at the time, but he certainly was at the Cabinet table and was privy to discussions surrounding whether or not this Government chose to go ahead with forced amalgamation or not. They chose to go ahead with it without any plan whatsoever put on the table to deal with the issues of wage disparity.

Now what has happened is they have set a precedent here. I would say that it is very dangerous for a government to start doing one-offs and dealing with these disputes that will continue to arise over the next two or three years as harmonization of contracts continues to take place within our province. I find it absolutely unbelievable.

I know the Premier (Mr. Doer) has before mentioned in a scum outside that, yes, he was somewhat aware of the fact that the issue of wage disparity might be there, but, oh, well, maybe we will just deal with that later. We will deal with that when the time comes.

I just find it very disrespectful to the taxpayers of our province that this Government chose not to deal with this issue and have a plan in place to deal with this issue, because now what is going to happen is that it is going to fall back into the taxpayers of our province, into the taxpayers in the local communities. There is absolutely no plan put in place whatsoever to deal with this wage disparity.

I guess at this point I would like to get back to the real point at hand here. There are some serious questions about what has taken place with one of the employees of the Minister of Finance in the Department of Finance. Obviously, some money was agreed to by the minister, by this Government, by whom we are not sure, who directed this employee to be able to pass over the \$428,000 of taxpayers' money. That is all we are asking. Who directed this employee to offer this money?

I am sorry, I have every respect for government employees and for what they do and so

on, but there is no way this employee would come up with the sum of \$428,000 himself and have the authority to pass that over to the school division himself. There had to have been a member of Cabinet, whether it is the Minister of Finance, whether it is the Minister of Education (Mr. Lemieux), whether it is the Premier himself. We just want to know and I believe the taxpayers of Manitoba have the right to know who directed Mr. Lloyd Schreyer, an employee within the Treasury Board, the Department of Finance, to okay the sum of \$428,000 to be flowed to the Sunrise School Division to end this strike dispute.

* (11:30)

Mr. Selinger: First of all, I would like to go back to the point the Member for Tuxedo made earlier, that there was no plan in place. I would not want her to forget that the Department of Education put in place a \$50-per-student grant for the merging school divisions in the amalgamation process.

So it is not accurate to say that there was no foresight or forethought that went into the amalgamation process. There were transitional resources put into the budgets of all school divisions affected by the amalgamation process.

I think the record needs to show that because that very important point contradicts the member's assertion that there was no plan put in place. That is very significant. There were various amounts, depending on the student enrolment in the various school divisions, that were made available to those school divisions to address transitional issues, including wage harmonization issues.

I know the members think that there was some dark conspiracy here, as they describe it, on the eve of an election, but I categorically dispute that that construction of events is accurate. There was no certainty on the part of anybody, except, perhaps, and I am not even sure the Premier himself had ultimately made up his mind. As a matter of fact, I suspect he had not at that date made up his mind whether or not he was going to call an election, so there was no preconceived notion whether there was going to be an election, and, indeed, the election occurred weeks after that strike occurred.

Secondly, there seems to be a suggestion that the employee went out there trying to buy a solution, and I once again suggest that that is an inappropriate construction of the facts. The member went out there to offer what is offered to any groups that are in dispute, the possibility of mediation. In this case, it was voluntary mediation. It was not imposed mediation. It was mediation that the two parties voluntarily decided to enter into themselves. Then once the mediation generated a solution that parties could live with, then there was a discussion of the ability to pay that and what portioning there should be on the ability to pay for that solution.

So the actual events and processes, as I understand them, are quite different than what the members opposite are trying to allege. I do not even believe that I can convince them of that, but I can at least try to put the facts on the table as I understand them.

Mr. Cummings: Well, Mr. Chairman, it certainly stretches credibility that the Minister of Finance would say that there was nothing more than a contemplation of an election window. I do have a conspiracy theory about what might have happened in Cabinet, but I know no one is going to break Cabinet solidarity.

If the Premier (Mr. Doer) did not say to his Cabinet ministers, make sure you have got all the problems off the table in case I call an election, the Premier is not as smart as I think he is.

Now, will this Minister of Finance absolutely deny that the member of his staff responsible for public sector, I believe, salaries, will he deny that that person had the authority to offer money?

Mr. Selinger: Once again, I think I just outlined for the member the processes as I understood them. The mediation process is what the provincial employee offered as a potential solution to the impasse that had been arrived at, and the mediation process generated a solution to a salary inequity problem between the two merging school divisions. Subsequent to that solution being arrived at, there were discussions as to how that could be paid for over a three-year period.

So I do reject the notion that an employee went out there with a cheque in hand saying, I am here to buy a solution. The employee went out there to offer the normal procedures available to bargaining agents in a labour dispute, in this case a mediation process. He offered them that resource, which they voluntarily agreed to participate in, as the mechanism to resolve the dispute.

Mrs. Stefanson: At what point in the dispute, and in the negotiations between Mr. Schreyer and the negotiating team with the strike dispute in Sunrise, did Mr. Schreyer contact the minister with a sum of money that was required to help end the dispute?

Mr. Selinger: Once again, I do not keep a daily log of all the contacts and conversations I have with people so I could not with certainty give any specific information in that regard. All I can say is that the resources that helped resolve that dispute were resources under the school grants program in the Department of Education.

Those resources were intended to ensure that children were back in school when they had over two months, two-and-a-half, three months to go before the school year-end. They were only made available once there was a determination that the newly merged Sunrise School Division was in a very difficult financial position, given that one of the elements of that new school division was Agassiz, which had experienced severe financial difficulty just a couple of years before that.

So I just do not have a daily log of all the contacts I have with individuals, but I do know that the solution was one that was arrived at to ensure the most important thing was going on, and that was the children were getting educated and that the labor dispute was not a significant barrier to that occurring.

The other thing the member has said from Tuxedo, she is concerned about a precedent being set here. I do not know that there is a precedent being set because we have a situation here where the wage disparity was very significant. It was up to 60 percent and it affected a large number of students. It was in a merged school division where one of the partners in that

new school division had clearly experienced severe financial difficulties a couple of years before that.

Mr. Chair, all of those conditions suggest themselves to me as having unique characteristics which might distinguish them from other situations, where the normal resources provided by the Department of Education, in other words the \$50-per-student transition grant, would otherwise be sufficient to address the problem.

Mrs. Stefanson: Thank you very much, Mr. Chair, and, yes, clearly there is a difference between the Sunrise School Division dispute and a current dispute that is taking place in Prairie Rose School Division and many other disputes that are going to take place. The fact of the matter is, one took place two weeks prior to an election and the others do not, did not. I mean, I find it absolutely unbelievable.

The other thing, Mr. Chair, is that I find it absolutely unbelievable that this Minister of Finance has basically one of his employees put the sum of \$428,000 on the table in the Sunrise School Division dispute on behalf of the Government and he cannot say when that was or when it took place, or if he even had discussions or if he gave a direction to do that. I mean, someone had to have given the direction to make this happen, and I find it disrespectful to the taxpayers of our province that half a million dollars is basically unaccounted for.

I mean this minister, oh, well, we talk about half a million here and there and everywhere. It does not really matter is what he is saying. I say it does matter. It does matter and it is very disrespectful to the taxpayers of our province that they throw half a million dollars around like it does not matter.

I say it does and I think it is very disrespectful as well that this Minister of Finance has put his own employee in the position that he has by saying that his employee acted on his own, on his own. I mean this is his job description. He goes out and he offers money to end disputes. I mean, that is very unfair for this employee to be put in that position.

Obviously, this employee was given direction by someone within this Government to put this money on the table, to end this dispute two weeks prior to an election call. Obviously that had to have been either the Minister of Finance or the Minister of Education (Mr. Lemieux) or the Premier (Mr. Doer), but none of them will come clean and let us know who directed Mr. Schreyer to okay this money on behalf of the taxpayers of our province. I do not understand what is such a difficult question, this is not a difficult question.

I believe, Mr. Chair, that the taxpayers of our province have a right to know who agreed to this and what is going to happen with other school divisions. What is the policy of this Government to deal with the harmonization of contracts? The minister says, oh, well, there was some forethought there; I mean we did consider this. Well then what is it? What is the plan that is in place to deal with this dispute, or is it just to throw half a million dollars around here and there and not be accounted for anywhere? This is absolutely scandalous, and I demand an answer from the Minister of Finance or Minister of Education or the Premier.

Today, Mr. Chair, I will ask the Minister of Finance: Did he authorize his employee to put almost half a million dollars on the table of taxpayers' money to end the strike dispute in Sunrise School Division?

* (11:40)

Mr. Selinger: Once again, I want to try to respond to the member with as accurate information as I have. It is absolutely wrong to construct a conspiracy theory that the Minister of Finance or any member of Cabinet knew an election was going to occur on April 8. That would be highly inaccurate.

It was not the case that anybody knew that there was going to be an election with certainty and when it would occur on April 8. I can categorically state that. Members did not know that. The only person that had any idea of when an election might be called was likely the Premier, and once again I have stated that I am not sure that he knew for certain when he was

going to call an election as of April 8 when this labour dispute occurred.

Secondly, the government employee did not go out and offer money to solve a problem. As I understand it he went out and offered that the parties consider voluntarily entering into a mediation process, and only after the mediation process had come to a conclusion that both parties felt was reasonable and fair to their respective interests did the issue of money become something to be considered and who could find the resources to do that.

As I have indicated earlier, Mr. Chair, two thirds of the resources were found by the Sunrise School Division. The remaining third were developed through the Ministry of Education and their Schools Grants program and spread over three years. And so this whole notion that there was going to be an election called, there was a member directed to politically go out and put money on the table, that is completely false, and I think it is a conspiracy theory developed by paranoid members of the Opposition after the election has occurred and using hindsight as a 20/20 lens to look at the situation that exists there. I do not think it reflects the facts or the reality of the situation at that time.

Mrs. Stefanson: Well, I find this unbelievable, Mr. Chair. The only person that has suggested that there is a conspiracy is members opposite. All I am saying is that if there is not a conspiracy, then why will he not just answer the question: Who directed Mr. Lloyd Schreyer to give this money to Sunrise School Division to end the dispute?

It is a very simple question, but by refusing time and time again—the Minister of Finance, the Minister of Education (Mr. Lemieux), the Premier (Mr. Doer)—to answer this question, big red flags are sent up. Who did then? It is a simple question, just answer it for the taxpayers, for the sake of the taxpayers of our communities. I just cannot believe it. But I will ask, and I will ask, perhaps, the Minister of Education this question at this point—[*interjection*].

Mr. Chairperson: Order, please. She has the floor until she is done.

Mrs. Stefanson: If I could maybe ask the Minister of Education this question. The money that was put on the table for the Sunrise School Division, I believe, was a settlement that was done over three years, and I guess I would ask him, after the end of those three years, Mr. Chair, who picks up the cost increase as a result of the harmonization of contracts within the Sunrise School Division within the constituency of Lac du Bonnet? Who then? Is it the taxpayers of the local community that have to pick up the entire tab for the harmonization of contracts because of this Government's Band-Aid solution?

An Honourable Member: A simple yes will do.

Mr. Chairperson: Although the question is directed to the Minister of Education, I suppose there could be an agreement between the honourable ministers who will answer.

Hon. Ron Lemieux (Minister of Education and Youth): Mr. Chairperson, I thank the member for the question. Once again, it is somewhat hypothetical in nature, but, on the other hand, the agreement is going to be ending in three years. There are a number of different school divisions throughout the province where the contracts are about to expire or have expired. As a department, we are looking at all those issues that were looked at before with the previous minister before harmonization took place.

Mr. Chair, with regard to salary, certainly the department was aware, but circumstances have changed with regard to depopulation or decreasing enrolment in many school divisions and will change even furthermore in three years time.

So, when I mention to members opposite that amalgamation is an evolving process and there is no finite point of ending the benefits to amalgamation, that is the truth of the matter. Things will evolve over time. Some will show more benefits than others. Those discussions are certainly taking place within the department now.

Initially, the point was made that the school divisions, with regard to harmonization, that there would be a period of time when financial assistance would be provided for those school

divisions, not only the \$50 a head which in some cases amounts to three quarters of a million dollars for some divisions, and they appeared to be able to manage quite fine with those kinds of dollars and that assistance that we provided; for example, Louis Riel, Pembina Trails, I have been advised.

They have had three quarters of a million dollars in Louis Riel's case, and it appears that when they had their disagreements with regard to collective bargaining, they were able to solve them. Now, I do not know whether or not it was all that \$50 per student that was able to assist them, because their student populations are greater than that of the rural constituencies.

What we have done is certainly not only provided assistance with regard to having staff assisting those divisions, but also we have looked at declining enrolment assistance to help those divisions that have declining enrolment. We have also looked at the \$50 per student. Also, we are taking a look at what is happening with regard to depopulation or declining enrolment in many school divisions and what that is going to mean for them when their collective agreements expire.

Sunrise School Division as well as the other amalgamated divisions and, I might add, other divisions that are not amalgamated are certainly being closely monitored in the sense of what is happening with regard to their overall financial wherewithal. There may be some decisions made down the road with regard to their changing circumstances.

So, as it stands right now, the school divisions like Sunrise School Division picked up two thirds of the cost with regard to harmonization and the Province picked up the other third. What is going to happen in three years time? Their circumstances may change greatly or they may not. No one has a crystal ball to be able to see that. What those school divisions are going to have to do is continually have discussions with the department. The department is prepared to do that over the next number of years to find out exactly where their financial situation is. We will certainly be watching that and monitoring it closely and finding out what is going to be happening over the next three years

because of all the scenarios that I have mentioned with regard to depopulation, declining student enrolment, all of those factors, and there are many other factors with regard to taxation that may affect one division differently from the other twelve.

So, Mr. Chairperson, this certainly is part of the overall plan with regard to amalgamation and always has been with the harmonizing of salaries, looking at what happens when you have one school division that has a discrepancy of upwards of 60 percent, not like Prairie Rose. I understand Prairie Rose School Division, the difference is about, on average, around 15 percent or upwards of 20 percent.

So you have a difference in amalgamated divisions throughout the province. We are aware of those numbers. We are and have become aware of when those collective agreements are going to be expiring. The department has been working closely with all those amalgamated divisions and in discussions with them, informally and formally, on an ongoing basis to determine how is amalgamation working for them.

* (11:50)

I mentioned the other day and I have repeatedly over the past week through Estimates about the anecdotal and the feedback we have received through staff that have been responsible with working with these divisions. We have made it quite clear that many of them have laid out the positive factors of amalgamation, what it has meant for them, and they have also laid out some of the challenges they see down the road, which has been extremely helpful.

We are working closely with amalgamated divisions and will continue to do so. The amalgamated divisions know this Government has been supportive of them and we are in constant discussions. I have had numerous discussions with the Manitoba Association of School Trustees, their parent organization, that have met me and discussed with me the challenges as well as the benefits of amalgamation. We have had a number of meetings since I have been minister about exactly what we are talking about today. They have certainly wanted our assistance and they want us to be a partner with them in the challenges their boards are facing.

Mrs. Stefanson: Before I hand the floor over to the Member for River Heights (Mr. Gerrard), I just have a comment. When asked what is going to happen in three years once the Government's Band-Aid solution expires in the Sunrise School Division, the minister says that is a hypothetical question, hypothetical question. That is absolutely, again, disrespectful to the taxpayers of our province.

I would suggest this is how this Government had this problem in the first place, because they did not have a plan in place to deal with this. We know that in three years time the Band-Aid solution is up within that community. Who picks up the tab? It has to be the local taxpayers that pick up the tab, unless they are going to go out and decrease the salaries of the employees in the area. Who is going to pick up this tab?

This is not a hypothetical question. This is a real question that I hope this Government is going to deal with. I hope the plan is in the works to deal with this very serious issue.

We know there was no plan put in place prior to this to deal with the harmonization of contracts. This Government's policy seems to be, oh, just throw it back on the taxpayers of our province. That is disrespectful. I would demand that this Government come up with a solution, come up with some sort of a plan to deal with the harmonization of contracts and the serious cost it is going to be to the taxpayers of our province.

I would suggest they should have done this a long time ago, because time and time again when we had the debate in this very House with respect to the forced amalgamation of school divisions we stood up on this side of the House and said time and time again there are going to be serious cost increases. We even laid them out for the members opposite. Yet they still did not take the information and come up with a plan. Again, incredibly disrespectful to the taxpayers of our province.

This minister now says it is a hypothetical question. Well, I suggest do not take it as a hypothetical question. Put a plan in place and ensure this does not fall back, that their decision to force school divisions to amalgamate does not

fall on the backs of the taxpayers in the local communities. At that, I will hand it over to the Member for River Heights for questions.

Mr. Lemieux: Maybe that is the difference between our Government and their government. The member from Tuxedo, the critic, is demanding this, demanding that, demanding whatever. Maybe that is the difference between our Government that views itself as being consultative and co-operative and working in a fashion that is working with school divisions out there and not demanding all kinds of things.

What I am referring to as hypothetical is all of those issues that I raised. Depopulation of the area, declining enrolment, all of those things would affect, for example, the \$50 per student that we currently in our plan provide for those school divisions. That is what I am referring to. We do not know what is going to happen with regard to those issues that I raised. That is what I am referring to about being hypothetical.

We have always had a plan in place. There was a plan right from the very beginning. We knew the challenges that would be faced. This Government is not wrapped up in mothballs like the party opposite. We are moving ahead and trying to make education progressive.

They had a report from Mr. Norrie that sat and gathered dust on the shelf. They did not want to move ahead with it because it was so drastic a change going down from 57 school divisions to 22. What we did was we took a balanced approach with a balanced plan that Manitobans understand that this is going to work. All the benefits are starting to come forward, Mr. Chairperson, with regard to the amalgamations.

Yes, we have challenges. No question about it. This Government is not demanding anything of any school divisions that we are not prepared to step up ourselves and assist them. I can tell you quite straightforward that we, as a Government, are planning on working closely and have been. The previous minister to me worked closely in consultation with those school divisions. Some did not want to amalgamate obviously. They felt that they liked it as it was. Now we find that, since amalgamation has happened, many of the school divisions who did not have

the technology and technology was not a priority for them now see that the division that they have amalgamated with—it really has truly been a benefit for the children of the school division.

Mr. Chairperson, we, throughout the past week, have addressed many of the questions of the member, not only my critic from Tuxedo, but many of the members from the Opposition that have asked questions with regard to many of the issues. Throughout that whole week, they never asked a single question with regard to children and education and special needs. What about Aboriginal students? Not a single question. Maybe the taxpayers of Manitoba will start wondering what is going on with the Opposition with their "who is the other gunman on the grassy knoll" kinds of scenarios and painting this dark, gloomy picture.

We have answered those questions; we are answering. Nor do we have a crystal ball, as the Opposition seems to want to put out, that at the beginning of April when Sunrise School Division was involved in a conciliation and a labour disagreement with regard to their contract that an election would take place at the beginning of May. The scenario they are trying to paint is absolutely inaccurate.

Mr. Schreyer went out there and spoke and worked with the MAST parent organization. They are the ones who came back to Mr. Schreyer telling him that there was a shortfall with regard to the financial end of harmonization and the harmonization of salaries. I am sure there were many other issues that they were discussing. This is a particular one that they raised that they just felt under the circumstances the \$50 per student and other dollars that we

were providing them with declining enrolment dollars and so on was not going to be sufficient to close the gap.

It is such an unusual situation because that upwards to 60 percent that they had to accumulate. Yes, there was a plan. There has been a plan. What I will continue to say to the member from Tuxedo is that what is hypothetical is all those kinds of issues that we face every day in the Department of Education. The staff work extremely hard with these divisions to tackle the declining enrolment, depopulation. What is going to happen in three years' time? Many of us cannot predict that right now. There are ongoing discussions continually about what is going to happen.

This Government is not going to leave amalgamated divisions high and dry. We will sit down and talk to them in a respectful way and try to certainly deal with their challenges that they have.

Mr. Gerrard: The Minister of Finance referred to a letter in March, requesting, I think, from the school board or the school or somewhere in the Sunrise area earlier on, that dealt with—would the minister table that letter please?

Mr. Selinger: That letter was sent to the Minister of Education, and it is his decision whether or not he wishes to table it.

Mr. Chairperson: The hour being twelve noon, pursuant to the rules I am interrupting the proceedings of the Committee of Supply with the understanding that the Speaker will resume the Chair at 1:30 p.m.

LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, September 25, 2003

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