

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

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The Honourable George Hickes
Speaker*

MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Ninth Legislature

Member	Constituency	Political Affiliation
ALLAN, Nancy, Hon.	St. Vital	N.D.P.
ALTEMEYER, Rob	Wolseley	N.D.P.
ASHTON, Steve, Hon.	Thompson	N.D.P.
BJORNSON, Peter, Hon.	Gimli	N.D.P.
BLADY, Sharon	Kirkfield Park	N.D.P.
BOROTSIK, Rick	Brandon West	P.C.
BRAUN, Erna	Rossmere	N.D.P.
BRICK, Marilyn	St. Norbert	N.D.P.
BRIESE, Stuart	Ste. Rose	P.C.
CALDWELL, Drew	Brandon East	N.D.P.
CHOMIAK, Dave, Hon.	Kildonan	N.D.P.
CULLEN, Cliff	Turtle Mountain	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.
GRAYDON, Cliff	Emerson	P.C.
HAWRANIK, Gerald	Lac du Bonnet	P.C.
HICKES, George, Hon.	Point Douglas	N.D.P.
HOWARD, Jennifer	Fort Rouge	N.D.P.
IRVIN-ROSS, Kerri, Hon.	Fort Garry	N.D.P.
JENNISSON, 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.
MACKINTOSH, Gord, Hon.	St. Johns	N.D.P.
MAGUIRE, Larry	Arthur-Virden	P.C.
MALOWAY, Jim	Elmwood	N.D.P.
MARCELINO, Flor	Wellington	N.D.P.
MARTINDALE, Doug	Burrows	N.D.P.
McFADYEN, Hugh	Fort Whyte	P.C.
McGIFFORD, Diane, Hon.	Lord Roberts	N.D.P.
MELNICK, Christine, Hon.	Riel	N.D.P.
MITCHELSON, Bonnie	River East	P.C.
NEVAKSHONOFF, Tom	Interlake	N.D.P.
OSWALD, Theresa, Hon.	Seine River	N.D.P.
PEDERSEN, Blaine	Carman	P.C.
REID, Daryl	Transcona	N.D.P.
ROBINSON, Eric, Hon.	Rupertsland	N.D.P.
RONDEAU, Jim, Hon.	Assiniboia	N.D.P.
ROWAT, Leanne	Minnedosa	P.C.
SARAN, Mohinder	The Maples	N.D.P.
SCHULER, Ron	Springfield	P.C.
SELBY, Erin	Southdale	N.D.P.
SELINGER, Greg, Hon.	St. Boniface	N.D.P.
STEFANSON, Heather	Tuxedo	P.C.
STRUTHERS, Stan, Hon.	Dauphin-Roblin	N.D.P.
SWAN, Andrew	Minto	N.D.P.
TAILLIEU, Mavis	Morris	P.C.
WOWCHUK, Rosann, Hon.	Swan River	N.D.P.

LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, October 4, 2007

The House met at 1:30 p.m.

ROUTINE PROCEEDINGS

INTRODUCTION OF BILLS

Bill 15—The Biofuels Amendment Act

Hon. Jim Rondeau (Minister of Science, Technology, Energy and Mines): I am pleased to introduce Bill 15, The Biofuels Amendment Act—

Mr. Speaker: It has to be moved as a motion.

Mr. Rondeau: Oh, sorry. I move, seconded by the Minister of Education, Citizenship and Youth (Mr. Bjornson), that Bill 15, The Biofuels Amendment Act, now be read a first time.

Motion presented.

Mr. Rondeau: Mr. Speaker, this act is going to be bringing in the biofuels, modernizing it. What it's doing is introducing the ethanol and the biodiesel mandate, and what it is, it's also making sure the licensing of biofuels manufacturers and the standards are set and all the conditions are met for these two important fuels for the future.

Thank you, Mr. Speaker.

Mr. Speaker: Is it the pleasure of the House to adopt the motion? *[Agreed]*

Bill 4—The Real Property Amendment Act (Wind Turbines)

Hon. Jim Rondeau (Minister of Science, Technology, Energy and Mines): I move, seconded by the honourable Minister of Finance (Mr. Selinger), that Bill 4, The Real Property Amendment Act (Wind Turbines), be now read a first time.

Motion presented.

Mr. Rondeau: I am pleased to introduce this bill which amends The Real Property Act to allow for title to be issued for wind farm easements separate from the landowner's underlying title. This bill will simplify the registration of wind farm easements and the searching of interests so that only affected easements can be found. By doing so, it aims to facilitate dealings with lands and promote the use of alternate energy sources. Thank you, Mr. Speaker.

Mr. Speaker: Is it the pleasure of the House to adopt the motion? *[Agreed]*

PETITIONS

Provincial Trunk Highway 2—Glenboro

Mr. Cliff Cullen (Turtle Mountain): Mr. Speaker, I wish to present the following petition to the Legislative Assembly.

These are the reasons for this petition:

As a result of high traffic volumes in the region, there have been numerous accidents and near misses along Provincial Trunk Highway 2, near the village of Glenboro, leading to serious safety concerns for motorists.

The provincial government has refused to construct turning lanes off PTH 2 into the village of Glenboro and on to Golf Course Drive, despite the fact that the number of businesses along Provincial Trunk Highway 2 have increased greatly in recent years.

We petition the Manitoba Legislative Assembly as follows:

To urge the Minister of Infrastructure and Transportation (Mr. Lemieux) to consider implementing a speed zone on Provincial Trunk Highway 2 adjacent to the village of Glenboro.

This petition is signed by Shirley Hagyard, Murray Hagyard, Alma Wallis and many, many others, Mr. Speaker.

Mr. Speaker: In accordance with our rule 132(6), when petitions are read they are deemed to be received by the House.

Provincial Trunk Highway 10—Forrest

Mrs. Leanne Rowat (Minnedosa): I wish to present the following petition to the Legislative Assembly of Manitoba.

These are the reasons for this petition:

Provincial Trunk Highway 10 separates two schools and residential districts in Forrest, Manitoba, forcing students and residents to cross under very dangerous circumstances.

Strategies brought forward to help minimize the danger pose either significant threats to the safety of our children or are not economically feasible.

Provincial Highway 10 serves as a route for an ever-increasing volume of traffic, including heavy trucks, farm vehicles, working commuters, campers and the transport of dangerous goods.

Traffic levels are expected to escalate further due to the projected industrial expansions.

We petition the Manitoba Legislative Assembly as follows:

To urge the Minister of Infrastructure and Transportation (Mr. Lemieux) to act on this situation by considering the construction of a four-lane highway that would bypass around the village of Forrest.

This petition signed by Lori Hiebert, Jon Burton, Cecil Meadows and many, many others.

Headingley Foods

Mrs. Mavis Taillieu (Morris): I wish to present the following petition to the Legislative Assembly of Manitoba.

These are the reasons for this petition:

The owners of Headingley Foods, a small business based in Headingley, would like to sell alcohol at their store. The distance from their location to the nearest Liquor Mart via the Trans-Canada Highway is 9.3 kilometres. The distance to the same Liquor Mart via Roblin Boulevard is 10.8 kilometres. Their application has been rejected because their store needs to be 10 kilometres away from the Liquor Mart. It is 700 metres short of this requirement by one route but is 10.8 kilometres by using the other.

The majority of Headingley's population lives off Roblin Boulevard and uses Roblin Boulevard to get to and from Winnipeg rather than the Trans-Canada Highway. Additionally, the highway route is often closed or too dangerous to travel in severe weather conditions. The majority of Headingley residents therefore would travel to the Liquor Mart via Roblin Boulevard, a distance of 10.8 kilometres.

Small businesses outside Winnipeg's perimeter are vital to the prosperity of Manitoba's communities and should be supported. It is difficult for small businesses like Headingley Foods to compete with larger stores in Winnipeg, and they require added services to remain viable. Residents should be able to

purchase alcohol locally rather than have to drive to the next municipality.

We petition the Legislative Assembly of Manitoba as follows:

To urge the Minister charged with the administration of The Liquor Control Act (Mr. Smith), to consider allowing the owners of Headingley Foods to sell alcohol at their store, thereby supporting this small business and the prosperity of rural communities in Manitoba.

This is signed by Ian James, Darlene James, Randy Cameron and many, many others.

Provincial Slogan

Mr. Kevin Lamoureux (Inkster): Mr. Speaker, I wish to present the following petition to the Legislative Assembly of Manitoba.

The background to this petition is as follows:

The NDP have authorized the spending of hundreds of thousands of tax dollars to promote the new slogan, "Spirited Energy."

That "Friendly Manitoba" is a better description of our province.

We petition the Legislative Assembly of Manitoba as follows:

To request the Legislative Assembly of Manitoba to consider supporting the slogan "Friendly Manitoba" over "Spirited Energy."

To urge the Premier (Mr. Doer) and his NDP caucus to make public the total costs of creating and promoting the new slogan "Spirited Energy."

Mr. Speaker, this is signed by E. Crippen, Carolyn Crippen, Charlotte Crippen and many, many other fine Manitobans.

TABLING OF REPORTS

Hon. Jim Rondeau (Minister of Science, Technology, Energy and Mines): Mr. Speaker, I'm pleased to table the 2006-2007 Annual Report for Green Manitoba. I'm also pleased to table the 2006-2007 Annual Report for Manitoba Science, Technology, Energy and Mines. I'm also pleased to table the departmental Estimates for the Department of Science, Technology, Energy and Mines.

Hon. Dave Chomiak (Minister of Justice and Attorney General): Mr. Speaker, I'm pleased to table the Annual Report of Manitoba Justice, including Justice Initiatives Fund.

Hon. Gord Mackintosh (Minister of Family Services and Housing): I'd like to table the Family Services and Housing Annual Report of '06-07, the Disabilities Issues Office Report '06-07 and Family Services and Housing Supplementary Information for Estimates.

* (13:40)

Introduction of Guests

Mr. Speaker: Prior to Oral Questions, I would like to draw the attention of honourable members to the public gallery where we have with us today John Coutts and Dennis Schrofel who are former teachers at Silver Heights Collegiate and are the guests of the honourable Member for Minto (Mr. Swan).

On behalf of all honourable members, I welcome you here today.

ORAL QUESTIONS

UNESCO Riding Mountain Biosphere Reserve Hydro Power Line

Mr. Hugh McFadyen (Leader of the Official Opposition): Before the Member for Minto (Mr. Swan) or the Member for Kirkfield Park (Ms. Blady) have a chance to put anything on the record, I would like to add my welcome to two fine public school teachers, Mr. Coutts and Mr. Schrofel, who I owe a great debt of gratitude to for my education. I give them credit for the ways in which I've gone right, and I hold them blameless for those ways in which I've gone wrong, Mr. Speaker.

Since graduating from high school I've had the opportunity to learn certain things about Manitoba Hydro, and in particular over the last little while have had the opportunity to learn a great deal about the NDP's proposal to run a power line down the west side of Manitoba, Mr. Speaker, otherwise known as the daffy detour. What we know so far about the daffy detour is that it'll damage the environment, it will waste precious clean energy, that they failed to consult with affected communities on the west side of Manitoba, and that the added capital cost will make every Manitoba family \$2,000 poorer.

Now, there's a lack of clarity in addition to these highly damaging results of this very bad decision, Mr. Speaker, which was referred to this morning in the *Free Press* by an engineer as the worst policy decision under this government. And there have been a lot, but this is the worst. There's a lack of clarity on one point.

The Member for Wolseley (Mr. Altemeyer), in the House, who I know made a passionate speech supporting the Premier's position—and I know the Premier will be relieved to know he's got the support of the Member for Wolseley on this issue—the Member for Wolseley made reference and was concerned that maybe members wouldn't know what UNESCO stood for, and he pointed out that it stood for the United Nations Educational, Scientific and Cultural Organization. Now, in western Manitoba we have a UNESCO site called the UNESCO Riding Mountain Biosphere Reserve. We have a lack of clarity.

Will the Premier be running his power line through the UNESCO Riding Mountain reserve? Yes or no?

Hon. Gary Doer (Premier): I, too, would like to welcome our Silver Heights history teachers and pay tribute to their great investment in the education for the Member for Kirkfield Park (Ms. Blady) and the Member for Minto (Mr. Swan). They're certainly well schooled in history, as I'm sure the member opposite was, and we look forward to the historical debate.

I, too, have learned something about Hydro and the Tories, and I've had an opportunity to study the record. When Harry Enns predicted that two-thirds of the revenue would be lost in the construction of the Limestone power dam because there was a massive gap between the NDP plan to build the Limestone power dam and the actual sales, the government at the time said there's more demand than there is electricity.

When you run the tape of history forward, Mr. Speaker, and look back and see who historically was right, the members for Kirkfield Park and Minto are sitting on the correct historical side rather than the member across the way.

Mr. McFadyen: And he hasn't answered the question about the UNESCO Riding Mountain reserve. Now, I know that the St. Paul's private school has a good football program, and I know he was part of that program. I don't know whether he wore a helmet or not, Mr. Speaker, but I do know that the Crusader from Concordia is having a hard time responding to questions that are serious questions for the people of Manitoba when it comes to the Riding Mountain UNESCO reserve.

Now, I know that the Member for Wolseley (Mr. Altemeyer), who is a passionate supporter of the

Member for Concordia on this issue, as we look back through what he said in this House on Tuesday, said that the issue around Aboriginal rights—his interpretation is that the government should fold like a cheap suit every time someone makes an unreasonable demand. What the member said is that jamming things down the throats of people is a thing of the past and he went on to say that the paternalistic approach to these issues are things of the past. Now these are the words of the Member for Wolseley.

Now, Mr. Speaker, we'll have a chance—and I hear support coming from members opposite for the Member for Wolseley, and I know that support will build to a crescendo when the leadership campaign finally gets underway. I think it's an issue, perhaps, that all members of the House, all members of this House can be united in supporting the Member for Wolseley as the next leader of the NDP. That's one area where I think, when the support builds, we will certainly be supportive.

There'll be an opportunity, Mr. Speaker, and I look forward to debating the Minister of Finance (Mr. Selinger) tomorrow morning on CJOB 680 between 10 and 11 a.m. I know he's confirmed that he will be a part of that debate tomorrow morning. We'll have lots of opportunity for debate, but I want to ask the Premier, who is a pea in the pod along with the Member for Wolseley on this issue, whether he agrees with the Member for Wolseley, and if so, why is he ramming his daffy detour through traditional Aboriginal lands on the west side of Manitoba with no consultation?

Mr. Doer: Mr. Speaker, we're getting, again, lessons from the member opposite and predictions into the future. I would suggest to the member opposite that, in terms of recent historical history in Manitoba, any individual that uses his judgment to guarantee, guarantee in four years that the Winnipeg Jets would be back in Winnipeg, Manitoba, needs to give nobody, including the Member for Wolseley, any advice on judgment.

Child Welfare System Meeting with Minister

Mr. Stuart Briese (Ste. Rose): Mr. Speaker, on Tuesday I asked the minister about Deb Shorrock, the worried aunt who fears for the safety of her five-year-old niece. The minister was first contacted about these concerns on July 31. He sat on the issue until this week when he finally promised to set up a meeting with Ms. Shorrock. A meeting was held

yesterday, but the minister didn't bother to show up. Instead, Ms. Shorrock was ambushed and left to answer to eight people all on her own. She didn't even get any answers about her niece. We're told that today the minister finally scheduled a one-on-one meeting with her. That doesn't cut it, Mr. Speaker.

Will the minister explain to the House why Deb Shorrock has had to fight tooth and nail for her niece's safety?

Hon. Gord Mackintosh (Minister of Family Services and Housing): Mr. Speaker, it's important that the member put factual information on the record. It's my understanding that a lengthy meeting was held with Ms. Shorrock and representatives of the agency, who were flown down for that, as well as representatives of the northern authority and the Child Protection branch. As a result of that, there were some new processes that were mutually agreed to. That's my understanding and I'm waiting for more information on that, but I also look forward, of course, to hearing of the perceptions of Ms. Shorrock at an upcoming meeting.

Mr. Briese: Mr. Speaker, Deb Shorrock is with us in the gallery today. She tells us that in the meeting she was accused of exploiting her five-year-old niece. She was told that her language had racial undertones. She didn't get any answers about her niece's safety and on top of that, this minister didn't even show up.

Will the minister tell Ms. Shorrock, when a worried family member raises serious concerns about a child in care, does he consider it exploitation? Is that the policy of his department?

* (13:50)

Mr. Mackintosh: Mr. Speaker, I remind the member and the House that the Children's Advocate has publicly stated that it's her understanding indeed that safety plans are in place, that the authority, the agency, and the Child Protection branch are actively involved, and, indeed, she publicly stated that measures have been taken to ensure that the child is safe. It's my understanding that after a couple of hours of meeting yesterday, information was shared, and if there are further concerns, we certainly will look into that and do what is necessary to ensure that the proper measures are taken by Child Protection officials who are, after all, the experts in dealing with child protection.

Mr. Briese: Mr. Speaker, Manitobans are appalled that Ms. Shorrock was forced to fight this hard for her niece's safety. The minister sat on this issue for

weeks. The meeting he set up yesterday was a failure, and after weeks of fighting, Ms. Shorrock still hasn't got any answers about her niece's well-being. Instead, she's been accused of exploiting her. A meeting with the minister doesn't cut it.

When will Deb Shorrock get some real answers?

Mr. Mackintosh: If the member is not supporting a meeting, that's unfortunate, Mr. Speaker, but I might remind the member opposite that he might want to stick to the facts that a letter was sent to a number of individuals. That was acted on starting last week as a result of the allegations raised there. Allegations that, indeed, must be and are, to my understanding, being taken seriously. I look forward to hearing of her perceptions. Thank you.

Health Care for Seniors Nursing Shortage

Mr. Cliff Cullen (Turtle Mountain): Mr. Speaker, October is Seniors and Elders Month in Manitoba. Now, we know this government is big on providing lip service to our seniors. In the real world, our seniors face many challenges.

The Bayside memorial care home in Killarney is not being used to its full capacity. While 11 beds in the facility sit vacant, at least nine people are on a wait-list but can't be admitted due to a shortage of nurses.

Will the minister acknowledge today that she has failed our seniors?

Hon. Theresa Oswald (Minister of Health): I appreciate the opportunity to address the issue of care for our seniors. Certainly, when any of us have a parent or a loved one that is needing care and is awaiting care, we're all very concerned about providing that care in the most timely way possible. We know that the Regional Health Authority, in consultation and partnership with Manitoba Health, continues to work very diligently on recruitment and retention efforts for nurses. That's certainly why we have taken a very close look at staffing guidelines, Mr. Speaker, in our personal care homes, and we have done a review and supporting going forward increasing those guidelines, something that's happened for the first time since 1973.

Mr. Cullen: Mr. Speaker, this minister's mismanagement of health care is costing Manitoba's seniors dearly. The Assiniboine Region is currently seeking three LPNs and two RN positions for Killarney alone. These seniors have contributed to

Manitoba's economy for years. Now this government has failed to provide them with the care they deserve.

What is this minister going to do about this situation?

Ms. Oswald: One of the first things that I can assure the member opposite that we are not going to do is cancel their training programs. We know that we need to build our complement of nurses, not tear them down, Mr. Speaker. I certainly do know that we have worked very diligently in turning around the devastation that occurred during the 1990s with a loss of over 1,500 nurses to our system, and I'm proud to see that on the lists of the colleges, we've seen 1,589 nurses be added to that registry. But that's not all, Mr. Speaker. We know that we've also committed to add 700 nurses to our complement here in Manitoba. What did they promise?

Hollow Water Cottage Barricades Government's Response

Mr. Gerald Hawranik (Lac du Bonnet): The illegal barricades at Hollow Water are still up. The Minister of Conservation (Mr. Struthers) refuses to negotiate with Hollow Water until the barricades come down. The barricades won't come down because the Minister of Justice refuses to enforce the law. Caught in the middle are cottage-owners and home-owners who are being stopped from protecting their own homes, boats, and cottages before the winter sets in, Mr. Speaker. If the barricades don't come down soon, there's potential for millions of dollars of damage.

So I ask the Minister of Justice: Will law-abiding Manitobans be forced to pay for the damage created because of this government's inaction?

Hon. Dave Chomiak (Minister of Justice and Attorney General): You know, Mr. Speaker, I'd like to indicate to the member opposite that he's asked this question several times, and he ought to know that the Minister of Justice does not have the power to direct the laying of charges by police authorities. If I did, perhaps I would go back to the Monnin inquiry and look at the recommendations in the Monnin inquiry that said some Conservative members who had broken the law ought to have criminal charges laid against them, but instead the judge said because they'd suffered so much they wouldn't.

Mr. Speaker, we don't want government to have the authority, like in places where many of our ancestors came from, to tell the police when they

should lay charges. That is their job. I'll leave it to the police experts, not the Member for Lac du Bonnet and his colleagues whose record on the justice issue isn't exactly sterling.

Mr. Hawranik: Millions of dollars in damages can occur to boats, to homes, to cottages and homeowners who are prevented from accessing their cottages and their homes before winter due to this government's inaction. This government will be responsible for those damages because of the refusal by the Minister of Justice to enforce the law and the refusal of the Minister of Conservation (Mr. Struthers) to negotiate.

The question is simple, Mr. Speaker. I ask the Minister of Justice: Will he commit to paying for the millions of dollars in damages that will result because of his inaction in government?

Mr. Chomiak: Mr. Speaker, aside from being typical Tory hysteria-type of questions, aside from that, things that we've heard year after year, the ifs, ands, and buts, things that we're taking action on, they voted against police in the budget. Now they complain about police. They voted against every budget that increased police. We have more police in Winnipeg than ever.

The Ipperwash inquiry that looked into the wrongful death of an individual said specifically: The power of the responsible minister to direct the police does not include directions regarding specific law enforcement decisions, Mr. Speaker.

That is the law. They would have us go back to the days of many of our relatives who came from places where people in power told the police who to arrest, when to arrest, how to arrest. That's not how our democracy works.

Violence in Schools Government's Response

Mrs. Myrna Driedger (Charleswood): Mr. Speaker, this Minister of Education dropped the ball on the Safe Schools Charter in the past. Today we continue to hear about violence in our high schools, a stabbing at Sisler, a machete and a fight near Kelvin High School, and on Tuesday a fight at Oak Park High School where a student pulled a knife.

Tiffany, a student at Oak Park said, and I quote, I'm not surprised by this. It's Winnipeg.

I'd like to ask the Minister of Education: Is this the type of branding that the Minister of Education wants associated with our high schools?

Hon. Peter Bjornson (Minister of Education, Citizenship and Youth): Well, Mr. Speaker, once again our commitment to safety in the schools has been front and centre with this government. Members opposite might recall back in 1993 when the Teachers' Society submitted a report talking about violence in schools and talking about their concerns for student safety, teacher safety and safety in the community in general. It was ignored.

It was this government that introduced the Safe Schools Charter. It was this government that continues to work with our partners in the schools, with the school divisions and the schools to develop safety plans.

If the member was listening to local media the other day, there was a discussion with the member from the department who talked about the fact that a lot of these situations have been overblown. He was myth-busting the fact-perceptions about violence and reality. We deal with reality, Mr. Speaker, and the reality is our system is working.

Mrs. Driedger: Mr. Speaker, it was this Minister of Education that didn't have a clue about his own safe schools legislation when asked about it.

Mr. Speaker, yesterday the director of the Education Administration branch for education and training Manitoba said, and I quote: We have 182,000 students in our public school system and 685 schools. So there are going to be incidents which occur when you have that many bodies running into each other and some of the social problems that unfortunately invade our schools. But I think the numbers reflect a relatively small frequency of those types of events.

Mr. Speaker, as parents are very concerned about their children's safety when they go to schools, I'd like to ask the Minister of Education if he accepts this type of a cavalier response from his department, supported by some of the members across the way. We're talking about children's safety.

* (14:00)

Mr. Bjornson: Mr. Speaker, the only time the members ever talk about school safety is when it's politically expedient for them to do so.

Mr. Speaker, we have introduced more funding through the Neighbourhoods Alive! initiative to support special resource officers in the schools, an initiative that we've worked in partnership with

schools and school departments, and did they support the budgets that make these happen? No.

I have asked the department to collect data to advise us on where we can better provide resources for the purpose of supporting our Safe Schools initiatives. Did they ever ask for data? No, Mr. Speaker.

Mr. Speaker, when they received data from the Manitoba Teachers' Society back in 1993, saying there is a problem with violence and safety issues in our school. Did they do anything? No.

Trans-Canada Highway, Portage la Prairie Timeline for Reopening

Mr. David Faurshou (Portage la Prairie): Mr. Speaker, the Trans-Canada Highway on the east side of Portage la Prairie has been closed for a year now while this government has attempted to replace the bridge over the CN railway and forcing motoring Manitobans to detour.

Back in the middle of June—[interjection] Mr. Speaker, they think this is a funny matter. [interjection] Then why are you joking about the safety of Manitobans and the Trans-Canada Highway?

Back in the middle of June, the Minister of Infrastructure and Transportation said, and I quote, We will be looking at this project as being completed on time.

Can I ask the minister today: Will the Minister of Infrastructure and Transportation tell us when the Trans-Canada Highway will be reopened?

Hon. Ron Lemieux (Minister of Infrastructure and Transportation): First of all, Mr. Speaker, the Trans-Canada Highway is open, for the member's information. Secondly, and he should know this, as the Member for Portage La Prairie, it is open.

Some Honourable Members: Oh, oh.

Mr. Speaker: Order. I remind honourable members when the Speaker is standing, all members should be seated and the Speaker should be heard in silence. I need to be able to hear the questions and the answers, and you know the clock is ticking. We're trying to get as many questions and answers in.

Mr. Lemieux: Thank you very much, Mr. Speaker. I'm surprised and shocked and dismayed by a question like that and the way it's posed.

This government just added \$125 million to our bridges budget, Mr. Speaker, and I have to tell you, this raises the budget from about \$50 million on average to \$80 million a year. And we're extremely proud of our \$4-billion announcement over the next 10 years for our transportation infrastructure. This particular project is on time and it's on budget, as well.

Safety Issues

Mr. David Faurshou (Portage la Prairie): Mr. Speaker, if indeed this project is on time, why isn't the minister answering the question as to what on time means?

Even though this project has been underway for more than a year now, it doesn't address the concern that I have in regard to the eastbound traffic that tries to enter Portage la Prairie. There's a significant problem when transport trucks attempt to access the new industrial park road. They are forced to make a u-turn on the Trans-Canada Highway, which is extremely dangerous.

Mr. Speaker, can I ask the Minister of Infrastructure and Transportation as to this deficiency, when he is going to address it?

Hon. Ron Lemieux (Minister of Infrastructure and Transportation): Mr. Speaker, I've been advised that the particular bridge we're talking about, the overpass, will be open later this fall, which we're very pleased about. We've worked in co-operation with the City of Portage la Prairie with regard to a bypass. The member knows of a road, it's entitled Angle Road. We've put millions of dollars into this road to keep the trucks off of the main street, off Saskatchewan Avenue, in Portage la Prairie. I want to say thank you very much to the co-operation from the City of Portage la Prairie in working with us to ensure that we're keeping larger trucks and giving them the option to stay off their main street.

I'd just like to state also, Mr. Speaker, during the election campaign, and even prior to that when this project was taking place, the Official Leader of the Opposition (Mr. McFadyen) stated, when we wanted to move and expedite this project, he wanted to delay it. He stated repeatedly: We want this project delayed.

Provincial Nominee Program Processing Time

Mr. Kevin Lamoureux (Inkster): Mr. Speaker, on Tuesday when I—[interjection]

Mr. Speaker: Order.

Mr. Lamoureux: Mr. Speaker, on Tuesday when I asked the Minister of Labour and Immigration a question about the seriousness of backlogs, she reminds me of Dorothy from the *Wizard of Oz* where she sits in her office and clicks her heels and wishes that the problem would just go away.

The reality is, and I quote from *Hansard* when I ask the question, Mr. Speaker, she had indicated: Our processing times in the PNP are two to four months, direct quote from the minister.

Will the minister be honest and tell us what percentage of the general stream applicants under the nominee program are processed within four months?

Hon. Nancy Allan (Minister of Labour and Immigration): I just want to remind the member opposite, and I think he should know this, that the Provincial Nominee Program is an economic program that is linked to labour market demand. He referenced the other day in the House the fact that we had redesigned the program in two priority streams, Mr. Speaker. Those priority streams are employer direct. Those priority streams also are about families, newcomers that come here. They have family support, and there are also international students that come to our province.

Those are the individuals that we want to come to Manitoba because they are most likely to succeed here. It's an economic program linked to labour market demand, Mr. Speaker.

Mr. Lamoureux: Mr. Speaker, could you hear the click, click, from the minister? The question is actually pretty straightforward. Yesterday, the minister said, and I quote, this is what the minister said: Our processing time in the PNP is two to four months.

Can the minister indicate what percentage under the general stream are within four months? Be honest and tell us. It's likely zero percent, but I'll let you tell the Chamber, Madam Minister.

Ms. Allan: The Provincial Nominee Program and the priority streams, Mr. Speaker, we bring people in, the average processing time is between two and four months, and the reason for that is because if they are coming through the program and it's employer direct, they are obviously going to come through the stream sooner because they have a job here. Those are the priority streams. That is what has made our immigration program the best in Canada.

The people that come through the general stream, Mr. Speaker, they don't have an employer, an offer from an employer, and they are not coming through the skilled worker program as quickly.

Mr. Lamoureux: Yes, Mr. Speaker, as the minister wanders down the yellow brick road, we have the reality that we have hundreds of thousands of Manitobans that are waiting patiently for loved ones—brothers, sisters, aunts and uncles—to be processed through the Provincial Nominee Program. This minister tends to have her head in the sand, not recognizing that at one point this government was committed to reducing the timing to under three months.

The answer that we're looking for from this minister is that she is prepared to invest additional resources in order to bring back the processing to within three months. Three months is what you promised, Madam Minister back in May of 2004. We're asking you to live up to that commitment.

Ms. Allan: Mr. Speaker—[interjection]

Mr. Speaker: Order.

Ms. Allan: Thank you. The newcomers that come through the general stream that the member is talking about do not have the same qualifications as those individuals in the priority stream. They do not have the education. They do not have the employer offer. They do not have the language adaptability. So what we do, Mr. Speaker, is we work with those people to bring them here. It may take a little longer, but you know what? It's important, it is not—

An Honourable Member: Yes, 18 months, over a year.

Ms. Allan: See you in Estimates.

Mr. Speaker, it may take a little longer. But you know what the reason for that is? We want them to succeed when they come to Manitoba.

* (14:10)

Health Care Southeastern Manitoba

Mr. Andrew Swan (Minto): Mr. Speaker, I'm proud to be part of a New Democratic government which believes in better health care closer to home and indeed in all regions of Manitoba. Certainly we don't need a history lesson to look back to the last Conservative government that ignored entire areas of this province not only in health care but in other areas.

Mr. Speaker, I'm pleased we've had tremendous growth of the population in southeastern Manitoba due to the success of this government's policies, due to the tripling of immigration in this province each year since 1999.

Can the Minister of Health advise this House of recent measures to provide better health care closer to home in southeastern Manitoba?

Hon. Theresa Oswald (Minister of Health): Well, thank you very much for the question, Mr. Speaker, and I have to tell you it was worth the trip. We went out to Steinbach and announced \$4.5 million for the redevelopment and the expansion of the emergency department at Bethesda Hospital. We're delighted about that. The population is booming in that region and we're recognizing those needs.

In addition, on that journey we were happy to take our journey to Ste. Anne, Manitoba, where we were thrilled to announce a \$6-million renovation to renovate and add a surgical suite to that hospital so we can have more surgeries outside of the Perimeter, outside of the city of Winnipeg, better care sooner and closer to home.

Beaver Population Control Program

Mrs. Heather Stefanson (Tuxedo): Mr. Speaker, in July of this year the Minister of Conservation announced further initiatives to deal with the problem beavers in Manitoba. While I applaud the NDP for carrying on a program initiated by the previous Progressive Conservative government, I was shocked to learn that the method by which the NDP government chose to achieve this goal was through a program known as the Beaver Deceiver program.

Mr. Speaker, is it not enough that the NDP has chosen for eight years to deceive the people of Manitoba that they now have to stoop so low as to deceive the beaver population as well?

Some Honourable Members: Oh, oh.

Mr. Speaker: Order.

Hon. Stan Struthers (Minister of Conservation): I can't help but think a trap has been set for me to step in, but what the heck, Mr. Speaker. This is the same population of beavers that's deceived this government on the other side for how many years?

Mr. Speaker, this is a serious problem in rural Manitoba. This problem causes us millions of dollars

in damage every year in Manitoba, every year to our infrastructure. We need to be working with the R.M.s of the area which we're doing, trying to think of ways—

Mr. Speaker: Order.

Mrs. Stefanson: Mr. Speaker, as hard as they've tried to deceive even the beavers of Manitoba, even the beavers have outsmarted them. Manitoba beavers have a right to know how many of their relatives have been deceived as a result of this government's Beaver Deceiver program?

Mr. Struthers: It's good to see that my colleague from Tuxedo has finally found an issue she can sink her teeth into.

I think maybe, Mr. Speaker, after those comments I will simply remain listening to the next question that my honourable colleague from Tuxedo brings forward.

Highway 15 Bridge Highway Safety

Mrs. Bonnie Mitchelson (River East): I have a follow-up for the member from Tuxedo, Mr. Speaker. No.

Mr. Speaker, concerns are being raised about motorist safety at the intersection of Dugald Road and Ravenhurst, where there have been a number of serious accidents. Planned upgrades to Highway 15 bridge that would have helped ease the problem were shelved because of cost overruns for the floodway which were directly related to forced unionization.

Mr. Speaker, can the Minister of Infrastructure explain what is going to be done to resolve this serious issue of public safety?

Hon. Ron Lemieux (Minister of Infrastructure and Transportation): Mr. Speaker, I thank the member for the question. With regard to bridge crossing the floodway on Highway 15, or Dugald Road, this particular structure is already at the one-in-700-year flood level, and the engineers have informed us that the hydraulics related to this have no impact when a one-in-700-year flood happens.

With regard to safety and safety issues on that highway, we understand it is very busy, and traffic counts dictate that. Our engineers in our department and people have an interest in safety on our roads, and we'll continue to monitor that highway and that stretch of highway for its citizens that use that road day in, day out.

Mrs. Mitchelson: Local City Councillor Russ Wyatt has noted that there is a dangerous mix of motorists travelling at higher speeds merging with drivers travelling at lower speeds. He has stated, and I quote, that this is a disaster waiting for a bigger disaster to happen.

An Honourable Member: That's right. That's Russ Wyatt.

Mrs. Mitchelson: Mr. Speaker, can the Minister of Infrastructure and Transportation—

Some Honourable Members: Oh, oh.

Mrs. Mitchelson: Thank you, Mr. Speaker. I would ask the Minister of Infrastructure and Transportation not to deceive the people of Manitoba but to explain what this government is going to do to ensure public safety in that area of the city.

Mr. Lemieux: Mr. Speaker, I'm sure they weren't wanting to refer to Russ Wyatt as a disaster, as members opposite pointed out when she asked the question.

I just want to state that this is a serious matter with regard to traffic on all our highways. The member raises a serious question. Our departmental officials and engineers certainly monitor this stretch of highway, as they do others on a daily basis. We provided millions and millions of dollars into our infrastructure system. Indeed, Mr. Speaker, \$4 billion over the next 10 years, we're going to be putting into infrastructure in the province, a historic amount. We've added an additional \$125 million to bridges in this province.

Mr. Speaker, this government has a commitment to transportation and safety on our roads. Every day we work hard, and the people within the department work even harder to ensure the safety on our highways. I can make a commitment to the member opposite that we will look at this highway. We have looked at many other highways in the province as well as 15, and we continue to monitor it to ensure that our citizens that travel on the highway are assured that the highway is safe and will remain safe.

Education Department Positions Wawanesa

Mrs. Leanne Rowat (Minnedosa): On August 23, 2007, I sent a letter to the Minister of Education asking for his commitment to the positions from his department that are in Wawanesa and asking him if he would commit to their staying in that community. I have not received a response from the minister.

I have heard from members of the community that the lease for the education office in Wawanesa will be terminated at the end of this month. At the same time, the mayor of Wawanesa said the department had assured the village that the position would remain in Wawanesa.

I would like to ask this minister why he failed to respond to my letter when he obviously knew jobs were being pulled out of Wawanesa. Why did he assure the village of Wawanesa that the position would remain when that is not true?

Hon. Peter Bjornson (Minister of Education, Citizenship and Youth): I can assure the member that a letter was forthcoming, and I was about to sign off on that actually, Mr. Speaker. Having said that, a number of the positions that we look at in the department, there are innovations in technology that have made positions redundant, things that are more efficient with respect to positioning of jobs in one community and another. I'm sure one of the members opposite will stand and thank me for the fact that one of the positions has, indeed, moved to his community.

* (14:20)

Mrs. Rowat: What an answer. So you're playing politics with people's positions and their lives. Are you quite pleased with that?

Mr. Speaker, this position was posted in the *Winnipeg Free Press* already, way before his letters even signed off. How hypocritical of this minister. There are job losses at the Souris Textbook Bureau, the assessment branch. Nineteen Crown land jobs are being lost out of Minnedosa, Neepawa. Now Wawanesa is losing their distance education positions out of this community. This is just my constituency alone. Losing even one government position in a rural community is devastating to the local economy.

I would like to ask this Minister of Education why he supports the NDP government's strategy of centralizing services, depriving rural communities of important employment opportunities when he knows full well how important these positions are to these communities, Mr. Speaker?

Mr. Bjornson: Mr. Speaker, working within the budgetary considerations that we have to work within, working within the technology that's available to us for the organization of the department, we do have positions that have been moved from one rural community to another.

Members opposite know all too well the impacts of cutting teachers, mostly from rural communities. Members opposite should know the impact of cutting nurses from rural communities. Our commitment to rural Manitoba remains on so many files throughout the department that we are seeing growth in rural Manitoba that we haven't seen under the previous administration in the 1990s.

Yes, we do occasionally have to restructure. We restructure where it makes sense, and we restructure where technology and efficiencies make sense. And, Mr. Speaker, I'm sure I'd be criticized by the member opposite for expenditures in administration and why we can't find more efficiencies in administration. There is a position moving—

Mr. Speaker: Order.

Time for Oral Questions has expired.

MEMBERS' STATEMENTS

Resource Assistance for Youth

Mr. Rob Altemeyer (Wolseley): Mr. Speaker, I rise today to draw the attention of the House to the important work being done by the organization Resource Assistance for Youth or RaY located in my constituency of Wolseley.

Founded in 1994 and previously known as Operation Go Home, RaY began with only one staff member and two volunteers who ran outreach programs in order to reach this city's homeless youth. For 13 years, RaY has maintained its ongoing assistance to impoverished and homeless youth throughout Winnipeg, and in 2003 the organization expanded its mandate beyond outreach to include prevention programs. With the financial support of many partners, including our provincial government, RaY now provides youth living on Winnipeg streets with a wide variety of programs and resources to assist them in the challenges they face. These include outreach support on the streets, operation of the only food bank in Winnipeg geared exclusively to youth, and a repatriation program that focusses on the longer-term goals of reconnecting youth with their families.

More recently, RaY and other community groups have teamed together to provide additional housing support for street-affected youth. RaY is also present in our schools, offering workshops on topics ranging from anger management, conflict resolution, bullying and addictions.

Mr. Speaker, I was very pleased just this past spring to attend RaY's annual general meeting held at their office on the corner of Young Street and Broadway. I was particularly struck by the powerful and personal stories that several youth courageously shared about the struggles they had faced with addictions and the harsh realities of homelessness. Though their backgrounds were very different, all of the youth spoke to the crucial role that RaY had played in helping them regain control of their lives and pursue a more positive future of their own making.

For these and many other reasons, Mr. Speaker, I would like to formally recognize the staff, board members, volunteers, community partners and especially the youth themselves who have made RaY what it is today. I am very proud to have them in my constituency, as I am also very proud that our government supports their work. And I very much look forward to our future work together in the years ahead.

Thank you very much, Mr. Speaker.

Immigrant Women

Mrs. Myrna Driedger (Charleswood): Mr. Speaker, October is Women's History Month in Canada. This year, the theme is Celebrating Immigrant Women in Canada. As we honour immigrant women this month, let us remember and appreciate the sacrifices they have made for their families and the hardships they have suffered and continue to suffer in establishing themselves in our country. On behalf of the Progressive Conservative caucus of Manitoba, we thank and welcome them.

They have moved entire families, learned new cultures and languages and have largely educated themselves in order to function in Canadian society. What these women have overcome is truly admirable. I would like to mention that my mother-in-law is one of those remarkable women. They have made great strides to advance the position of immigrant women in society. Historically, immigrant women have faced discrimination based on ethnicity, gender and immigration status. They have also faced multiple access barriers to health, social services and to the labour market.

Mr. Speaker, it is our hope that, through national celebrations such as Women's History Month, we may continue to empower all women, that, regardless of gender, we can all provide examples for the next generation and demonstrate to them that anything is

possible. From mothers to doctors, each and every one of them is a valuable member of our society.

We should honour the paths women have chosen and support them in whatever life choices they make. For those women who have the potential and desire but face barriers, then we must work on removing those barriers. Doors have been opened with post-secondary education, yet so many doors remain closed. Working together, we can give women the keys to open those doors.

Mr. Speaker, I ask the honourable members here today to congratulate the accomplishments of immigrant women and all women in Manitoba and in Canada. Thank you.

Anne and Rose-Anne Nesbitt

Ms. Marilyn Brick (St. Norbert): Mr. Speaker, today I have the honour of speaking about the unique work of local authors Anne and Rose-Anne Nesbitt. It is very fitting that I have the opportunity to talk about these two special authors on the day our government hosted a lunch reception in honour of Women's History Month and the accomplishments of immigrant women in Manitoba. The 70-minute play titled *Anahereo*, developed by Anne and Rose-Anne, was very well received this summer when it was performed at the 20th annual Fringe Festival.

The play details the life of Grey Owl's wife, Anahereo, who is credited with playing the most important role in converting her husband, who made his living as a trapper, into an enthusiastic conservationist.

Anahereo, who played a significant role in saving the beaver from extinction in Canada—and by the way, to the members on the opposition bench, Anahereo was no beaver deceiver. Rather, she dedicated her life to championing the cause of protecting wild animals and was awarded with the Order of Nature from the Paris-based International League of Animal Rights in 1979, and with the Order of Canada in 1983.

Despite this extraordinary history, Anahereo has often been portrayed in a secondary position as Grey Owl's wife. Local author Anne Nesbitt, and her daughter Rose-Anne set out to rectify this perception of Anahereo as the docile wife of the iconic Canadian conservationist. The play, written by these two women, was first performed at the Riding Mountain Community Centre and continued there for 10 weeks last June.

After its first run in Clear Lake, it was presented at this year's Fringe Festival.

Mr. Speaker, preserving our heritage in Canada is a very important task. This summer, Anne and Rose-Anne Nesbitt gave Aboriginal women and women in history a very vital place here in Canada. They got to play centre stage. I want to thank these two women for their commitment to history, and to women.

Thank you, Mr. Speaker.

Craig Thompson

Mr. Cliff Cullen (Turtle Mountain): I am pleased to recognize my friend and former colleague, Craig Thomson of MacGregor, Manitoba. Craig, who works for Manitoba Agricultural Services Corporation as the acting vice-president of insurance, received commendations from Governor General Michaëlle Jean for his efforts to rescue Naven Mulchen of Winnipeg.

On August 3, 2005, a father and son were fishing on Lake Manitoba near Portage la Prairie. Naven caught a fish and slipped into the lake off the diversion pad. Naven's father dove in and tried to save him.

Craig was at the family cabin at Delta Beach with his wife Heather and children Kendra, Brittany, Ashton and Landon. A young girl approached on a bike and advised Craig that someone was in trouble. Craig immediately hopped on his watercraft and found the boy, Naven, in a dead-man's float with no pulse. He pulled Naven out of the water and onto the watercraft, resuscitated him and took him to shore. Naven lived because of Craig's quick thinking and life-saving skills. Unfortunately, Naven's father could not be saved.

Mayor Doris Moore of MacGregor presented Craig with a framed commendation certificate signed by the Governor General at a recent council meeting in MacGregor. Craig, a former volunteer firefighter, received his CPR training from the MacGregor fire department.

Mr. Speaker, please join me in congratulating Craig Thompson for his bravery and quick actions.

* (14:30)

Active Living for Seniors

Mr. Mohinder Saran (The Maples): Mr. Speaker, I would like to take a moment to recognize the importance of an active lifestyle on the health of our

communities and to draw attention to the good work of the Active Living Coalition for Older Adults in my constituency and across Canada.

Since October is Seniors and Elders Month, I would like to highlight the work they do in our communities. The organization encourages older Canadians to maintain and enhance their well-being and independence through a lifestyle that embraces daily physical activities.

As we all know, keeping fit has many physical benefits for people of all ages. Among numerous other advantages, a better fitness level leads to stronger bones and muscles and reduces a person's risk for heart disease. Healthy living, however, involves more than just exercise. The World Health Organization defines active living as a way of life in which physical, social, mental, emotional and spiritual activities are valued and are integrated into daily living. In this way, active living contributes to individual physical and mental health but also to social cohesion and community well-being. It is for all these reasons that I commended the Active Living Coalition for Older Adults for its commitment to assisting seniors and keeping active. The work done by this organization in providing much-needed resources for seniors in my constituency and for promoting active living for people of all ages is a critical asset to the vitality of our community. Thank you, Mr. Speaker.

ORDERS OF THE DAY GOVERNMENT BUSINESS

House Business

Hon. Dave Chomiak (Government House Leader): Mr. Speaker, would you canvass the House through unanimous consent for the following Estimates changes? In the Estimates of Competitiveness, Training and Trade, if the Estimates of Competitiveness, Training and Trade are not completed by 5 p.m. today, they are to be set aside tomorrow, with the Department of Labour to be considered in the Chamber for tomorrow morning.

In addition, for tomorrow, the Estimates of the Department of Finance are to be set aside in Room 255, with the Estimates for the Department of Science, Technology, Energy and Mines to be considered. These changes are to apply for Friday morning only.

Mr. Speaker: Is there consent for the following Estimates changes?

If the Estimates of Competitiveness, Training and Trade are not completed by 5 p.m. today, they are to be set aside tomorrow, with the Department of Labour to be considered in the Chamber for tomorrow morning.

In addition, for tomorrow, the Estimates of the Department of Finance are to be set aside in Room 255, with the Estimates for the Department of Science, Technology, Energy and Mines to be considered. These changes are to apply for Friday morning only. Is there agreement? *[Agreed]*

Mr. Chomiak: Mr. Speaker, would you please call the Committee of Supply with the understanding that the House will be in Committee of Supply on Friday morning?

Mr. Speaker: The House will now resolve into Committee of Supply with the understanding that the House will also sit in Committee of Supply tomorrow morning.

So, Madam Deputy Speaker and the Chairs, please proceed to the respective rooms that you will be chairing.

COMMITTEE OF SUPPLY (Concurrent Sections)

HEALTH

* (14:40)

Madam Chairperson (Marilyn Brick): Will the Committee of Supply please come to order. This section of the Committee of Supply will now resume consideration of the Estimates of the Department of Health.

As has been previously agreed, questioning for this department will proceed in a global manner.

The floor is now open for questions.

Mr. David Faurshou (Portage la Prairie): Madam Chairperson, I would like to ask the minister, having had the pleasure of attending yesterday's noon lunch meeting of stakeholders for the Portage District General Hospital. At that meeting there were a number of things that were discussed and I'd like to begin by asking the minister if, first off, is she aware that in the Central Regional Health Authority, of the 3,300 health-care professionals, more than 700 are eligible to retire in this coming year?

Hon. Theresa Oswald (Minister of Health):

Certainly, when we talk about the Central Region or the Winnipeg Regional Health Authority or South Eastman, we know that we have a population of dedicated health-care professionals, certainly, professionals that have been in the field for a number of years and, it must be said, professionals that carry with them a wealth of experience.

We know that in a variety of regions we have populations that are nearing retirement, and we have populations that are considering that as an option. Among them, we have those that have indicated that they intend to stay on past that retirement age, but, certainly, it would, the statistic or the number that the individual has cited for me, I can say quite honestly, I don't carry that information off the top of my head. I can say that we are acutely aware of a work force that is growing in its experience and its opportunity to retire, yes.

Mr. Faurchou: That was a long answer to a yes or no question.

Further to that, in Question Period today, it was made mention of the long-term care facilities that are experiencing difficulty in attracting staff, by the honourable Member for Turtle Mountain. I will say that in Portage la Prairie, currently, we are now at 14 beds that have been closed at the Lions Prairie Manor, a long-term care facility, because of the shortage of staff. It is of grave concern to those that remain and are dedicated to remain as residents there, as well as the dedicated staff that work there, that there is not enough staff to care for persons in not only that facility, but others.

So what I would like to ask the minister, as to whether or not she and her department can look at the acuity of staffing in areas around the province and to make a commitment to work with education and training, Advanced Education Minister to make provisos for programs that will address the shortage. Even though the Health Care Aide program is offered in Portage la Prairie, only one class receives the tuition supports that make it affordable in order to be able to take the program. If more persons want to take the course, which we desperately need to see happen, it goes to a full-cost recovery and the tuition is basically, Madam Minister, unaffordable to most persons that are looking at this field of employs.

I would like to ask the minister to give her commitment today that she will work in co-operation with her colleague to address this absolute need in the rural Manitoba.

Ms. Oswald: Madam Chair, certainly, we acknowledge the member's questioning, as we did today in Question Period when it was raised. It certainly is no secret to our government that our population is aging and that we need health human resources in the field. That is why we have, over the tenure of government, made health care our No. 1 priority, but, certainly, the fulfilment of health human resources as our priority. We have been clear on that record. I can imagine the member opposite's body language as I endeavour to cite very devastating decisions that were made a decade ago concerning nurses. These are very clear on the record and we feel the reverberation of that still. We know that there were very devastating decisions made on the front of the education of physicians, and we feel the reverberation of that still, but we are taking action on that front. We know that, prior to the spring of this year, we were able to see on the nursing college registry 1,589 more nurses than we saw in 1999 and that, in the context of what the Member for Portage la Prairie is saying, would constitute a very good start, but we know that we have more to do, and that's certainly why we committed during the election campaign to hire an additional 700 nurses. Specifically, within the context of personal care homes, we've broken that out to be 250 nurses, 100 health-care aides. We know how important the work is that they do, and 50 other allied health kinds of workers that support the families and the older Manitobans that reside predominantly in personal care homes. So we've made a very clear commitment to that, and we will live up to that commitment as we have in previous years.

There's no question that when it comes to health care, the care comes from human beings and we need to be ensuring that we are investing in training. In addition to making that promise of adding 700 to our system, we certainly have also agreed to add 100 seats for training. We know that we need to continue to work on that. We know that, as the member pointed out, people are getting ready to retire, and we need to build that complement of health-care professionals.

We're also, as we indicated prior to the election, taking a very close look at personal care home staffing guidelines. We know that those guidelines, in relation to what the member opposite raises concerning the acuity of patients, really needs to be re-examined, and we've committed to do that. Those guidelines have not been looked at since, I believe

it's 1973, it might be 1976, and it's time that we have a look at acuity, staffing complement and what would be the best mix for people to get the best possible care.

Mr. Faurichou: I know the minister has quite a number of things that she wants to put on the record of a political nature, but I would like to impress upon her that I'm a very common sense, level-headed individual and look at the problems that exist. Regardless of who thinks up the best way to address them, let's go for it.

Yes, there's more training going on that—I'm looking at the headlines of a few months ago where the graduating class of physicians; more than 50 percent of them stated that they were leaving the province as soon as they picked up their diplomas at the admissions office. So we have to do a better job of retention of those that we train here in the province. I also look at dentistry; I think 22 of 25 graduates from dentistry left the province. This is something that we're really, really concerned about.

Addressing the issue of rural placement, bringing people out of training in Winnipeg where there is no shortage of positions is very, very difficult. We have to train health-care professionals in the rural of Manitoba. We really truly do if we are going to address the shortage.

Currently, this government's education planning with the tuition freeze that exists on campus in Winnipeg but does not carry over to rural training. Rural training is a cost-recovery basis. I used the example with the Advanced Education Minister just the other day. Early childhood educators program offered in Portage la Prairie costs \$6,100. If that same curriculum, same student, was sitting in the classroom at Red River College here in the city of Winnipeg, \$1,500. I mean, talk about treating rural Manitobans differently.

That's what's happening right now, and I absolutely today ask the Minister of Health to work with her colleague, the Minister of Advanced Education (Ms. McGifford), to offer programming that is affordable in the rural of Manitoba so we can train rural residents to fill the health-care professional positions that are vacant at this point in time and other positions that will come vacant in the not too distant future. Can I just ask the of minister, the date the minister talked with her colleague?

* (14:50)

Ms. Oswald: Certainly, the member has raised a number of issues. When we are talking about increasing opportunities for people in rural Manitoba to study to become part of the health-care field, we are always in consultation with our partners in advanced education to look for innovative ways and ways that we can ensure that education cost is equitable. I appreciate what the member is saying and will certainly, absolutely make a commitment to continue to work to provide opportunities for people in rural Manitoba.

I think it should be put on the record that there already are opportunities that exist within a variety of health-care fields for people to access programs closer to home. We know that we have rotating sites for health-care aides, for LPNs. Just the other day we announced the primary care model for paramedics that will indeed be run in partnership with Red River College and will have some 16 sites at their campus in Winnipeg, but will, did I say sites—seats, at their home campus in Winnipeg. The other 24 seats will be on a rotating basis through rural Manitoba and northern Manitoba, going into communities where analysis will show us we really need to build our complement of paramedics, just as we have with nurses and with doctors on recruitment and retention initiatives. We'll offer that as well to paramedics, a fund from which they can draw to help support them in their education. A forgivable loan, if you will, for a return of service agreement. So I would absolutely concur with, and, of course, I haven't mentioned that University College of the North, which is very important as we go forward in building our complement and our opportunities in rural and northern Manitoba.

There is no question that in the massive responsibility that is caring for our families in northern Manitoba, in rural Manitoba, in urban settings, that the work is ever existent and it's ongoing, and that we need to continue to work together with advanced education and indeed, one would argue with Manitoba Education, Citizenship and Youth because what our analysis is showing us that when it comes to applications that are made let's say, for example, to medical school. We know that as a percentage, a higher number of students from rural Manitoba are accepted into medical school, but certainly, a significantly lower number of applicants, or applications are received from the Faculty of Medicine. One of the single-most important things that we can do is, all the way back into elementary school, be offering opportunities for awareness and

for engagement into health care broadly, letting our students in rural Manitoba know what their careers could possibly be.

So we will continue to work with advanced education and we'll continue to work right down into elementary level to have those opportunities so that it becomes part of the consciousness of young people to consider health care for a career.

Mr. Faurschou: I know that the minister is concerned and she has her heart in the right spot, but we really have to look with a practical eye to where we need the programming the most and the shortages are the greatest. That is where we need to start and I hope the minister will identify those areas where the educational programs need to be sponsored in order to address the shortages.

So, having spoken about that, I hope to, perhaps the minister and I can sit down, as I did with the former minister, Minister Praznik, in fact, the rotating Minister Praznik, the Health Minister at the time. That rotating licensed practical nursing program was a proposal that I brought to the then-Minister of Education, who didn't have the dollars, but I took it to Minister Praznik and he saw the need for more licensed practical nurses and agreed, at that time, to sponsor the program. So that program emanates out of a discussion that I had with the minister at the time, and I hope perhaps I can sit down with the current minister and we can come up with a few other programs that will make sense.

One thing that doesn't make sense is the NDP promise to renovate the operating rooms and the emergency rooms in Portage District General Hospital. It is a case where, in fact, the department has completed three studies on a 50-year-old building of wood construction that the department has recommended be torn down and a new facility constructed.

Why would you, as a minister, even though there was an election promise, spend another \$5 million as you propose on a building that your own department says needs to be replaced? Let's take that money and dedicate it to the new facility and get on with replacing the aged Portage District General Hospital with a regional centre that has been on the books and at the top, and I will say at the top, of the capital request for the Central Regional Health Authority for years and years.

Ms. Oswald: I have to admit, Madam Chairperson, I was taken aback at the beginning of the comments of

the member opposite. I thought for a moment he was going to suggest that, you know, he didn't want us to fulfil our election commitment and rebuild the ER at Portage District General Hospital. I felt this overwhelming sense of relief that we could get onto all those other projects that the Member for Steinbach (Mr. Goertzen) is asking for, the Member for Pembina (Mr. Dyck).

But, alas, I did get to the end of his comment, and I do appreciate that it was, to replace the whole hospital was—I will come right clear on the record—it was the commitment made by the Tories during the election campaign. The one time they did make it out of Winnipeg to make a health announcement, they did go to Portage. They did suggest that maybe that that's what they would do. Certainly, that's their prerogative. We, you know, embraced an opportunity to speak to some kind of health commitment, any kind of health commitment coming from the members opposite at that time.

But, certainly, we know that we have as government made capital commitments to the Portage hospital, and capital commitments that we actually delivered, not commitments that we said we were going to deliver once or twice or three times, or seven times, but promises that we said we were going to fulfil and that we fulfilled. We know that we have CT. We know that we've done work on pharmacy. We know that we've stood together in glowing appreciation of investment of fluoroscopy out there just last spring.

We know that our government has said that we are going to redevelop that ER, recognizing absolutely that there is an increase in traffic, in population going to that ER, and we are absolutely faced with the prioritization of capital requests.

While I may have spoken with tongue in cheek earlier about requests from the Member for Steinbach or requests for the Member for Pembina, those are very real. Your colleagues around the Legislature on all sides of the House have passionate requests that they make on behalf of their constituents, and indeed, that's their job to do that. We have to, as a responsibility to the taxpayer of Manitoba, have a look at the resources that we have and endeavour to make commitments that we know that we can fulfil.

* (15:00)

We know that we will be able to redevelop the ER. We know that we have already instructed the

design team to get going at a good pace. We know that we expect, probably, to be out to tender around February, which would be on track to get the job done, and we know that we want to get out to those general contractors to beat that spring rush.

We're committed to redevelop that ER. We're not going to promise a hospital seven times that we never deliver. We're going to get it done and we're going to get it done in Portage.

Mr. Faurschou: I've got to express significant disappointment that the minister wants to continue to invest monies, and, yes, there is no question that there is a great need in the ER and OR because of the volume at the Portage District General Hospital. But the need for a regional hospital is great, and what the minister is doing by putting I believe it's somewhere in the neighbourhood of \$5 million of investment in the more than 50-year-old building is telling the citizens of Portage la Prairie and the Central Region that she really has no intention of replacing and listening to her department in the near-time future.

If the minister was to come across and say, yes, we're going to invest in the Portage District General Hospital but in three years time we are going to be cutting a ribbon on a new facility, then persons would understand. But it's curious to note that for this expansion and this redevelopment of the OR and ER, there has been no announcement as to whether or not the department will support, as it does in the other high-volume ER hospitals in the province, a second physician.

Portage District General Hospital handles the volume they do with a single ER physician. If the minister is intent upon investing, as she has committed and outlined a construction schedule, is she, too, committed to making certain that once a new facility is complete that the level of staffing will complement the new facility?

Ms. Oswald: Again, I would reiterate that we made a commitment, a number of commitments, indeed, across Manitoba going forward, of a capital nature, and we will fulfil those commitments, full stop. We will not make a statement about a potential capital redevelopment or rebuild that we won't live up to, and our record on that is clear.

Certainly, when we make announcements about capital investments, you will find within the context of that announcement some details about what would be included in that capital investment. But the actual operations related to that investment come through

the discussions with the regional health authority and Manitoba Health, and the operations—or in this case, as the member cites, another doctor to work in the ER and presumably other health-care professionals, nurses on the front line, health-care aides, whatever we need on the front line—that becomes part of a subsequent conversation that occurs between the region and Manitoba Health and would certainly be built in.

It goes without saying that we need to staff environments that are rebuilt and redeveloped.

Mr. Faurschou: I appreciate much of what the minister is saying, but I still implore her to be guided by common sense and to listen to the department's priorities and to effectively do what's right and expend hard-earned taxpayers' dollars in the most common-sense, cost-effective, prudent fashion possible.

That is why I ask, once again, of the minister: Will she provide, at some time very soon, a commitment for a new regional hospital that serves more than 50,000 people and, in fact, is also a relief valve for urban hospitals when it comes to ER visits? As we all know, Portage la Prairie has received individuals when Grace Hospital wait times get to be significant.

Ms. Oswald: Again, I appreciate the member opposite's impassioned pleas. I can assure him that every day we're listening to the advice of the department, and we are listening very carefully to the citizens of Manitoba. We're listening very carefully to one another, and I would say, again, that we committed to redevelop the ER just as we committed to put in a CT scanner, just as we committed to have new cataract surgical programming go there, just as we committed to dialysis, just as we committed to new surgical equipment to the tune of over \$300,000, just as we committed to over half a million dollars for fluoroscopy. We have committed to redevelop that ER, and that's exactly what we're going to do.

While the member opposite can speak to me about common sense and about listening to others, and that is absolutely his prerogative to do that, I assure him that I am exercising both, and I can also assure him that his colleagues have a number of requests that they feel as passionately about, and so they should because they are elected to represent their communities, and they also have capital requests that they wish to make.

It is about balancing the needs of people around Manitoba. It's about fulfilling the commitments that we have made. I am not, by any stretch of the imagination, asking the member opposite to agree with me. We live in a democracy. It's a free world, but what I am telling him is that we have committed to redevelop that ER and that is exactly what we're going to do.

Mrs. Mavis Taillieu (Morris): I'd just like to ask a few questions of the Minister of Health, but when the Member for Portage la Prairie was asking his questions, it sort of has struck me that the minister has certainly talked about all the provincial investments into health-care facilities, but she's failed to mention the huge amount of local foundation fundraising by various groups that has supported health-care facilities. Much to their credit for having done this, but I think that the minister and the government should acknowledge the hard work and the amount of money that's being raised privately through individuals and organizations that do a lot to put money into various health-care facilities to support them whether it be in ways of purchasing new beds or purchasing new equipment or computer systems or a number of things that they do. We have to recognize that a lot of the money that goes into these places does come from organizations that do a lot of good work.

I know, in Portage la Prairie, that happens. I know it happens in Morris. I know it happens in Rosenort. I know it happens in St. Pierre and a number of places throughout the various constituencies.

Having said that, I had a question in regard to in the Central Region. We know that the Central Regional Health Authority in the years to come is going to be taxed. By that I mean their resources will be taxed. There are a number of people that will be retiring, and we're going to face even worse shortages than we have now in personal care homes, with home care workers, and with nurses and, of course, with doctors.

*(15:10)

I wanted to ask a question, though, in respect to jurisdictional, I guess. I'm told by a constituent who lives in Headingley, so is in the Central Regional Health Authority; she's taking care of her Alzheimer's mother. Her mother has advanced stages of Alzheimer's. She used to live in Winnipeg, but she now lives in Headingley with her daughter. The daughter was told that she could not be panelled for a

personal care home in Winnipeg because she didn't live within the area served by the Winnipeg Regional Health Authority.

I did a little bit of calling around to find out if this was, in fact, the case and was told there were some new rules about acceptance into personal care facilities. So I'm wondering if there have been some new directives or guidelines or rules regarding who can get into personal care facilities, and where.

Ms. Oswald: Madam Chair, I'd just like to begin by saying that the member is absolutely right about the foundations. I really am pleased that she made mention of that. You're absolutely spot-on on the work that foundations at various hospitals and other facilities do. In my opinion, and I would guess hers, is what makes Manitoba so special. These foundations work tirelessly. Very often it's a core group of volunteers that put in double-time, triple-time, overtime of overtime to make their community health-care facilities thrive and grow. It absolutely must not be left unsaid that the work that the foundations do here in the province of Manitoba to support health-care facilities, to provide additions to them that are of the greatest need and desire of their citizens, is really second to none.

The context of the conversation that I was having with the Member for Portage la Prairie (Mr. Faurchou) was very much Manitoba government funding-driven. So no mention of the foundations was made, and she is quite right to point out that they are really vibrant and important partners, not only from a financial standpoint but from the human spirit as well. Most often the people that serve on these foundations are also those people that are volunteering directly with people that are in the facilities, and their work can never be understated.

On the issue of panelling of patients from one region to another, I am aware that there are some amendments that have been made recently within the Winnipeg Regional Health Authority panelling process. Whether or not those amendments include people from out-of-region coming into the Winnipeg region to a personal care home, I don't believe that that is part of the amendment, but I will certainly commit to the member to follow through to make certain whether or not those amendments include any such statement. It is not my understanding that they do, but I would respectfully ask, as I don't have those staff available here right now, to get back to the member on that issue.

Mrs. Taillieu: I thank the minister for that. I would appreciate knowing specifically what those amendments were. I did ask the question of one of the people that works in the Central Regional Health Authority, and they didn't want to provide me with that information for some reason. So I'd appreciate, if there's any correspondence that went out in terms of telling the people that would be panelled last, behind people that lived within the city of Winnipeg.

I've had a number of incidents lately where people have called me with terrible, terrible situations and are so distraught with our health-care system and their inability to access, whether it be access services or, once they're in hospital, even to be able to see doctors, some of them very serious. I just spoke with a distraught mother this morning, as a matter fact, whose son was hit by a car on the Trans-Canada Highway. He was going across the highway. He didn't see the car, and he was hit full on at 100 kilometres an hour. Fortunately, it's a miracle that he sustained broken bones, but no spinal or head injuries, but he is in very serious shape.

He is in hospital right now, but it took five days according to the mother for her son to be seen by a doctor. Five days. And I guess she raised her voice and her concerns with people in the hospital and finally was seen by a doctor that was there to see another patient but not her son.

I'm very concerned that someone would be in hospital, having been in a serious car accident like that, and not be seen by a doctor for five days. I'm wondering if the minister can tell me: Is the normal amount of time for somebody to be seen in hospital that's been in a serious car accident, five days?

Ms. Oswald: First of all, I would echo the member opposite's sentiments, that it sounds to me like someone receiving that sort of an impact, it is a miracle that they didn't sustain further injuries, and I'm very glad for that constituent's son that that did not happen.

I would certainly say that, you know, right off the bat, no. That is not normal. That is not my understanding to be normal. And the people of Manitoba would certainly, very rightly, expect that in a serious case such as the one that's been described to me that medical attention would be received immediately.

I would be grateful to the member opposite if she is able with the permission of the family to provide us with the specific details of what

happened. It certainly is worth our further investigation to discover what happened. And if the member opposite's constituent would like to convey that information directly, that would be very helpful. But obviously as a mom if she's very busy with the care of her child and consents to allow the member opposite to relay that information to us specifically, we will absolutely investigate that. But clearly, no, that is not normal operation.

Mrs. Taillieu: I will ask her to provide some more details, as I know she's very distraught at the present time. Certainly she's not only distraught about the condition of her child, but also about the health-care system and its failings. She even said to me on the phone this morning that even the nurses on the ward are so distraught over their inability to do the work that they need to do because of the complexities, I guess, of the system and the shortages. They're frustrated with their inability to do their jobs.

I do have one more, and I know that the minister will also say, please provide me with details, and I will endeavour to do that as well. The case I'm going to mention, I've spoken to her about providing details. She's a young woman. She's 26 years old. She is in fear that, should she speak up, she will be further castigated, and she feels that, if she speaks up, then she will be put again to the bottom of the pile. Because people sometimes fear to speak up. They fear speaking up and asking for something in case that they suffer any repercussions because of that.

*(15:20)

This young woman hurt her back. She slipped a disk and it was really quite a terrible thing that happened to her. It did not happen at work; it happened at home. I shouldn't say it happened at home. It did not happen at work. I don't know where it happened. Should it have happened at work, she would have had some ability for compensation but, because it did not, she doesn't. She is at the point where she's been off work for 15 months and has had to give up her job, has had to give up with her apartment and now has to live with her parents.

She is totally frustrated because her first doctor told her she is too young for the surgery she needs; I would not do the surgery because you're just too young. She wants to get another opinion but she can't even get in to another neurosurgeon to get an appointment to get another opinion. She's been told it will take another year to get an appointment to get

another opinion. That's before she gets on any kind of list to get surgery.

So, again, this is not health care, when our young people in the province cannot work because they can't get care; they can't even get access because they can't even get an appointment for a specialist.

So I would ask the minister what can she do to ensure that our young people don't have to wait a year to get an appointment to see a specialist, so that they can get on with their lives, become productive and working and caring people in our society?

Ms. Oswald: Again, I appreciate that the member said at the beginning of her comments or near the beginning of her comments that she would endeavour to continue to work with us on specifics so we can be taking all the action that we can on either one of these cases.

I would just want to address some comments made just at the beginning of her last remarks concerning working conditions and nurses. There is no question that our nurses and our health-care aides and those people that are working on the front line every day with families that are arguably going through the most difficult times in their lives, like the example that the member gave about a mother having a child struck by a car. I cannot think of a situation that would be in one's life more horrible than that, the illness of a child.

So these people not only face these families in their times of most debilitating strife, and when we're in those moments we aren't always best able to ask for help when we need it in the most polite way. So these people on the front line, nurses and doctors and health-care aides are not only doing the incredible work that they are required to do for which they are trained, but they are also doing the incredible emotional work that we all need in those times of strife.

I would suggest that the single greatest thing that any government can do or any regional health authority can do is to work to get those people more help. The way that we do that, of course, is by building our complement of health-care professionals, of health-care aides, of nurses, of doctors, of technologists. We need to have more of them. Our commitment to that is very clear. We know that we need more, and we're going to work diligently to get these people working on the front lines more help when they need it.

On the subject of the young woman that is in what sounds to be very debilitating pain as a result of an accident, I can absolutely concur with the member and say that to be told that one needs to wait for a year to find out how long they need to wait is unacceptable. I can say that we are working very diligently in our system to reduce wait times of all kinds, wait times of the lifesaving kind, cancer, cardiac, and wait times of the quality of life kind. If this particular individual is receiving that kind of information, it certainly does not match where we are on our progress on wait times. I would be willing to argue that there is a problem. There is a problem with the referral process; there may be a problem with a specific physician's wait list that may be held too personally dear, and the more that we work to centralize and co-operate in regions, among regions, the more success that we can have. We've seen this happen on our orthopedics, our hips and our knees, and we're having more and more success every day. We've got more work to do, but we've got more success. We're seeing this happen on diagnostics. So I would ask the member to share with us further, if she has not done so already, the specific details of this case, as we have people specifically designed to help navigate and co-ordinate with wait times. We want this young woman to get the care that she needs as quickly as possible, so please send us details and we will endeavour to help as much as we can.

Mr. Kelvin Goertzen (Steinbach): Thank you very much, Madam Chairperson. I appreciate the questions that my colleagues from Morris and Portage la Prairie put on the record, both passionate advocates for health care in their region, along with all other issues that relate to their constituents.

The minister and I left off dealing with issues of paramedics yesterday. I'd like to continue on that. But, just listening to some of the answers from the minister in relation to the questions that the Member for Portage (Mr. Faurichou) and the Member for Morris (Mrs. Taillieu) put on the record, I was reminded of a question that was once asked to a presidential candidate at the time and the lack of a response that came forward.

I know that the Premier (Mr. Doer) is often one to say in the Legislature in the context of Question Period or others that his government isn't perfect and that his government does make mistakes, and the minister nods her head. There I would actually agree with the Premier. I don't always agree with him, but, certainly, I don't think that people expect government to be perfect. I think they expect government to put

best efforts forward. So I'd ask the minister today if she could give me three things that she believes that her government has made mistakes on in health care in the last seven years.

Ms. Oswald: Well, thank you very much, Madam Chair. That is such an interesting question, isn't it? Before I get to that question, I did promise the member yesterday that I would bring him some information concerning EMS. I'll just put that on the record if I may. We were speaking specifically about Falcon Lake and the suspension of service there, and I just wanted to let the member know that we did, in fact, do some analysis of those days that he was speaking of on the suspension of service. I was able to confirm that the nearest EMS station that would serve that population would be in Prawda, which we believe to be a 30-minute response time, and that would be under good road conditions, so let's say 30 to 40 minutes if Manitoba did what it does sometimes, weather wise.

We also were able to ascertain that the annual call volume for Falcon Lake is about 130 calls. The majority of those, certainly, the member would be aware—he's a regional, knowledgeable person about rural Manitoba and its issues; he goes to the lake, I guess I'm trying to say. Well, I wish for him that he went to the lake. Of course, he has a one-year-old now; those days are not for awhile, I guess. The majority of those calls of that volume would be during high intensity cottage time. We were able to confirm that, indeed, there were no ambulance calls that would have gone to Falcon Lake and, therefore, would have needed to be rerouted at that time, and we're very glad of that. I know we can't count on that happening, and that's why we need to continue to work on our building of our paramedic complement. I know that the member yesterday asked questions from constituents that had sent him an e-mail. I can say to him once again that we are absolutely committed to keeping that station open and to working with the regional health authority in building the complement of staff there.

*(15:30)

I know that Manitoba Conservation is posting for a full-time position for the Falcon Lake EMS station to help in the prevention of further suspensions there and so we're going to continue to work with them on the human resources side.

So, onto the opener of the day then, the question being three mistakes that perhaps government has made. I know that the member cites the Premier as

one who makes reference to not being perfect and I would concur with that. Health care is a vast, broad, deeply penetrating into all of our families issue and we are human, as are the people that work on the front line and dedicate themselves every day to caring for our families. But being human there's no question that there will be times when perfection is not achieved and I would hope that the member would also acknowledge that I, too, will frequently couch my remarks in answering questions in that we have more work to do. Woe be to the Health Minister that says everything went perfectly in the health system today, our work here is done because it never ever will be. We can always be working harder to ensure that we recruit one more doctor for that community in rural Manitoba that has been struggling to find a doctor.

We will always be working everyday to ensure that we slate one more surgery so that somebody doesn't have to wait one more day. This work will never end. I would say, if I had to speak on the subject of mistakes, I'm a teacher, the member opposite knows this isn't exactly the language that I'm crazy about using. Perhaps we call them educational opportunities but if there were opportunities that I've seen in my short tenure of working as the Minister of Health I would say that, as aggressive as we have endeavoured to be on the recruitment and retention of nurses, that perhaps we could have set our target even higher, perhaps we could have set our target to turn the ship around of a loss of 1,500 or more nurses to try to turn that back to a positive score. Perhaps we should have set our target to make that number 2,000 rather than 1,500 returned and there would be more nurses in the field today.

Maybe that's evidenced by the fact that we made a commitment during the election that we would add 700 nurses to the system. I think that that's one thing that we could have done. Could we have achieved more than we were able to train in that time? That would require more analysis on my part, to be honest with you. I know that people worked full-out to educate, to offer opportunities for recruitment and retention in rural Manitoba, to repatriate back to Manitoba. That work was exhausting and it can never be done. So I would say that as one possible educational opportunity from which we could have learned.

Other areas where perhaps we might argue—running out of time?

Okay. Well I got one out of three in there. In the name of getting the other answer on the record, I'll keep going on my next 10 minutes.

Madam Chairperson: You're okay. You can keep going. I just—

Ms. Oswald: Okay. Thank you, Madam Chair.

Number two, I would say that one of the single most important things that we can be doing in moving forward on health care is in the area of prevention. We have dreams to find a way, to use that metaphor that's so often used in health care, to pull those people out of the stream much further up so that we don't have to be dealing with sickness care, and if there are mistakes in the investments that we have made on healthy living, I would say that we have to try to focus our investments to have even more of them. It becomes a very heated debate, of course, when one is making decisions about dollars, about getting somebody a knee replacement faster, or do we put—

Madam Chairperson: Order, please. I'm sorry to stop the minister.

I just want to remind all honourable members. I know we're partway into this discussion, but I just want to remind all honourable members that their remarks should be kept strictly relevant to the matter before the committee. As our rule 75(3) states: "Speeches in a Committee of the Whole House must be strictly relevant to the item or clause under discussion."

Further, as is noted on page 527 of Marleau and Montpetit, "The requirement of relevance is necessary in order that the House might exercise its right to reach a decision and to exclude from debate any discussion which does not contribute to that process."

In the consideration of the current department, however, a global discussion has been agreed to, which does allow some latitude, but I guess that latitude would normally go to budget discussions, I would suggest.

So it is open. The minister can answer.

Ms. Oswald: Thank you very much, Madam Chair.

I appreciate the reminder, and I know well enough, having spent time working with you, Madam Chair, that I wouldn't, in my wildest dreams, challenge your ruling or a reminder from you. I really sincerely believe that I was answering a

question that was of a very broad nature, but if you would like to bring me to a shorter answer, I think it is the responsibility of governments to invest as much as they possibly can in prevention and promotion. Trying to deal with that balance of sickness care versus health promotion is one that is a very complicated and challenging question, and is it possible there are mistakes in how much one invests in that. I think that we all as a society need to do more.

Thirdly, in that very broad question of what mistakes have we made, I perhaps would say, maybe we should have increased the number of medical spaces in the medical school in co-operation with the Faculty of Medicine sooner. We certainly did endeavour to do that in the timely manner, but we are seeing the fruit of our labour in those classes being increased from down at 70 to over or upwards of a hundred and over, and perhaps we should have made that move sooner.

Mr. Goertzen: You know, I know that's a difficult question. It seems broad to the minister. It really isn't that broad, and I think I may have misstated when I said it was a question that was posed to a presidential candidate. I think it was actually posed to the current President, George Bush, at a press conference. I thought it was an interesting question because it was, the question as I remember it, what the President thought he had done wrong in his Iraq strategy, and he struggled to answer it because, I think unfortunately, politicians don't always want to say that sometimes there are things that are done wrong. So he sort of meandered around the question, not unlike the minister sort of meandered around the question here.

But, you know, it's interesting because her Premier (Mr. Doer), who always says, we're not perfect, we make mistakes, but they seem to be unwilling to admit to them. In fact, when the minister sort of paddled through the question, she talked about maybe they could have set up more money or set a target higher for nurses, but then, of course, had to go back and try to blame the former government, even in that context. Then she talked about maybe we could have put more money into a healthy living strategy. So, again, it's about more money.

On the third one, to her credit, she sort of was getting there, to say that we should have put more medical seats in faster, and that was probably a mistake. I raised the question with the minister just to focus some of the discussion that I don't think it's

wrong to admit that not everything that your government has done, Madam Minister, during your time or any of your predecessors, has been perfect and has worked.

* (15:40)

We've heard examples from my colleagues who brought forward very human examples about how the system hasn't worked. Instead of sort of engaging in a meaningful discussion about why certain things aren't working, I think its disingenuous to continually blame another era, and at my age and yours as well, Madam Minister. It really is another era in many ways. Instead of looking at what it is that has been done right, because sometimes things are done right in government, and what it is that's been done wrong.

So you struggled with the question, but others, like President Bush, have struggled with that question, too. So, perhaps, you're in good company. I know you'd love to be lumped into the same company as the Republican President down south but, just in the context of our discussion, I think it frames it a little bit that not everything was the fault of a previous era and not everything is the fault of this government either. You do have to recognize that there have been mistakes made, and that's why we come here and ask the questions. I hope that that provides just a little bit of context for the minister.

I do want to finish off on some of the questions with paramedics as I indicated. The minister said yesterday that she, in response to the report, the silent crisis, that was put out by the Paramedic Association, never did bother to meet with the president of the association after the election, those many months after the election. It didn't seem important enough to her to meet with the president, Mr. Glass, regarding what was a fairly damning report. I wonder, though, if she could comment on the recommendation in the report that the provincial health-care spending on paramedics or ambulance service made comparable to what it is in other jurisdictions, recognizing that spending is only one measure of how health care is provided. I know it's not always the best measure, but I would like to hear her comments on those concerns.

Ms. Oswald: I do appreciate the member's comments in trying to clarify his reasons for asking such a question. I believe he used the word "disingenuous" and, let's face it, Estimates is a blood sport. We know why the question was asked. *[interjection]* Right. In any event, I must go on record as saying I can't believe that they asked

President Bush only three things that he did wrong on the war, but that's another conversation for another time.

Certainly, I appreciate the member acknowledging as well that no government is perfect; not this one, and not the one before us. We actually do have moments, Madam Chairperson, flashes if you will, of non-partisan co-operation where we can get good things done. I know that member opposite and I have talked about this and that in our relatively new roles in these seats have optimism among us that this is going to happen again. I will certainly be looking to him and to the members opposite to see their way clear from partisan politics to co-operate so that we can do the best possible work for the people of Manitoba.

On the subject of, once again, the Paramedic Association report, I would say again to the member, just for clarity on the record, that I have in past met with the president of the Paramedic Association. He has shared his concerns on a number of issues, on which we've acted, incidentally. We continue to work on those issues. We know that subsequent to the election period that we continue to work on those issues, issues that have existed in the context of the white paper, released co-incidentally in the middle of an election campaign. We recognize that there are issues in that paper that do require attention, and that's why we've set about working with them. The president of the association has had repeated e-mail, telephone and face-to-face meetings with the deputy minister of Health, on my instructions. He has met with members of the department who are second to none, I would argue, in their expertise on emergency medical services, on my direction.

But, indeed, I took the member's words to heart yesterday about hurt feelings that may exist between the president and the minister's office, and we have extended the hand of friendship to him, have invited him to come for a meeting in case he wasn't able to share in a fulsome way his passions about EMS to the deputy minister and to members of the department. He certainly did, at that time, express his gratitude for how swiftly the government has announced the paramedic training course that is going to make a profound and meaningful difference for the people in rural and northern Manitoba. Indeed, in his own paper he acknowledges once again that, and I'm quoting, there's no argument that government funding for Emergency Medical Services has increased over the past decade, and also

cites inadequate system funding for an extended period of time being the cause of that.

So, certainly, I look forward specifically to face-to-face with the president—perhaps there will be tea—having a conversation with him to see if there's anything left on his list of advice that he has to offer us outside of that paper, including any issues that may relate to investments that we have not yet made that he believes that we need to be making, whether or not that pertains to a percentage of spending on Health or a very specific ask that he might have about Emergency Medical Services in the province of Manitoba.

Mr. Goertzen: I know the minister didn't specifically answer the question regarding the funding proposal. I'm not shocked necessarily that the question wasn't answered, but I would mention it in the context of her answer where she indicated that as a result of our discussion yesterday she ended nearly six months of silence, I suppose, between her office and the Paramedic Association and took my advice to give them a call for a meeting. I think that that's positive. If I do nothing else in my tenure here at the Legislature, I will certainly leave with warm hearts that I was able to at least get a meeting between the minister and the Paramedic Association. I certainly put that high on my résumé for future employment.

I just have a couple more questions regarding paramedics and then we'll move on to the topic of West Nile virus just so the department staff is aware of where we're going. In relation to the legislation that is currently before the House or will be reintroduced shortly, I'm assuming, on the firefighters' memorial on the Legislative grounds, I understand that in other jurisdictions, at least it's been discussed, they said where there's a memorial to the work that firefighters do, the paramedics are included within the context of that memorial.

Can the minister indicate when this legislation came before Cabinet, did she advocate on behalf of the paramedics to have them included in this memorial?

Ms. Oswald: I must take an opportunity to put factual information on the record. I know the member opposite is new to Health and we're both on our first journey of Estimates, but let's not kid a kidder here. To suggest that there has been six months of silence between the Department of Health and the Paramedic Association of Manitoba is just a

grossly inaccurate and profoundly misleading statement.

The conversations have been ongoing. The Paramedic Association is an excellent partner as we go forward in the development of such initiatives as the primary care paramedic education. They've been very important partners along the way in all of our initiatives, and I know how much the member opposite would like me to list them all again, but he can refer to yesterday's *Hansard*. It's a list so nice it's worth reading twice. But to say that there is not communication between the Paramedic Association and Manitoba Health is wrong, wrong, wrong.

*(15:50)

On the subject of the legislation concerning the memorial statue, certainly there have been discussions. The bill itself coming from another department, they've been focussed in that department, and there have been discussions about wording, acknowledging emergency professionals and health-care professionals that put their lives on the line every day. I know that there is some concern, as I understand, among the Paramedic Association.

Madam Chairperson: Order, please. I'm sorry, I just have to remind all honourable members that I do have to rule on parliamentary language, so I'm just going to call members to order.

Ms. Oswald: I understand that there has been some concern by the Paramedic Association concerning some wording surrounding that bill, and I know that some discussions have taken place. They've not been in the context of my office, Madam Chair, but, again, we will be interested to listen to what the president and other paramedics have to say on this subject.

Mr. Goertzen: I'm not surprised that the minister hasn't heard about the concerns because she hasn't met with the president since the campaign, and probably she may have had the opportunity to run into some firefighters during the campaign. Who knows. They may have been working within the context of her riding for various parties, but they obviously have an interest in the legislation which is good because they need to be recognized. I do think it's important that the paramedics not be seen as sort of second-class service providers. The work that they do is important, and I hope that she will not only raise this issue proactively with Mr. Glass but endeavour to ensure that their concerns are met so that we can celebrate the work not only that

firefighters do, and we do celebrate that, but also that EMS workers, paramedics do in the province as well.

In the same conversation, or the same meeting, since I can take some vain credit, I suppose, in getting a meeting established, maybe I can help to set the agenda a bit as well, would she also raise with the president, the issue of blood-testing legislation for Good Samaritans and for paramedics, or EMS workers? The minister might remember that I brought forward a private member's bill last session that would have allowed those who are acting as paramedics, first responders, also Good Samaritans coming on the scene of an accident who come into contact with blood, to allow that blood to be tested if the person whose blood it is doesn't give right of consent so that it can be tested for HIV or other possible contaminants to give peace of mind to those. I think the rationale is, I know the rationale is, that those who are acting either in the capacity of their job as medical technicians or workers, or those who are acting as Good Samaritans shouldn't have to be punished and shouldn't have to worry as a result of coming into contact with that blood.

I know that many other jurisdictions have similar legislation. There are probably differences between the legislation that's there in Ontario to Alberta. I understand Saskatchewan's just bringing the legislation forward. One of the maritime provinces has it. The minister doesn't think that maybe that's enough but it's close to half of Canada so I think we're certainly getting into a critical mass of population that's covered by it.

Her predecessor minister sort of didn't seem too warm to the idea, but strangely, that's the same minister who warmed up to some of my other ideas, and we got into the Department of Justice so I'm not giving up just based on those initial responses. Can she indicate whether or not she will support that legislation if it comes forward again in the form of a private members' bill and whether or not she'll raise this directly with the paramedic president?

Ms. Oswald: I really do appreciate the advice that the member is giving me concerning who I should meet, when I should meet them and what I should say. While I will, again, always keep an open mind where the critic is concerned, I have said before that he's not without the occasional good idea, and I look forward to our work together in future on non-partisan success stories that we can have together in Health, but I will tell the member that I will certainly be following the lead of the president of the

Paramedic Association and allowing him to set his agenda so he can talk about these issues. I have no doubt that he will likely be raising these agenda items with us. Should indeed there be time left in this meeting, I will endeavour to raise these issues.

I know that from a health perspective, you know, we watch other jurisdictions across the land, look very seriously at the complexities of the blood samples legislation and it is, indeed, that. While we continue to explore possibilities around the effectiveness of the legislation, and when I was hesitating a little bit with the member opposite, it was simply on the numbers of jurisdictions in which the legislation actually has been proclaimed and is functioning. My understanding is it's not quite as many as the member has cited here today, but I will certainly go back to study that. I believe that there certainly have been discussions across Canada about these complexities, but the jurisdictions in which this legislation actually does exist and actually has been proclaimed and actually is functioning, I think, would be worth closer examination.

From a health perspective, I know that one of the most important things that we can be doing today on that issue and on that front is that of providing whatever protections are available of an anti-viral nature, for example, immediately upon the contamination, whether it's a paramedic or a police officer or a Good Samaritan. If, indeed, this legislation is effective in getting the process moving quickly enough is one of the things that needs to be studied.

But, even outside of that legislation, or the existence of legislation, ensuring that protocols are in place and in place in such a way that are effective and immediate so that any medical prophylaxis that can be administered at the time of contamination, that's what we really need to expend our energies on in the Department of Health in ensuring that Good Samaritans and our emergency and law enforcement personnel can be protected in those, admittedly rare, but very, very complicated situations.

Mr. Goertzen: I know the minister will come back tomorrow with an update on which jurisdictions have passed legislation and which ones have proclaimed the legislation. She may also want to look at the most recent edition of the paramedic EMS magazine in Canada where, I believe, her House Leader (Mr. Chomiak) is quoted from prior to the election indicating that they would, in fact, be moving forward on some type of legislation, even if it wasn't

exactly mine. It would be something similar, not that this government would ever take something similar, just change it a bit to bring it in on their own. I would not accuse them of that, but that they would be moving forward with it. So she might want to check with her House leader's comments, because there might, in fact, be a more specific commitment than she's indicating.

Mr. Daryl Reid, Acting Chairperson in the Chair.

I do want to ask a few questions quickly. We might have to return to it tomorrow morning, but, on the issue of West Nile virus, I know that some of my colleagues have questions as well, so I want to ensure that they are able to represent the issues that are important to their constituents.

But, on the issue of West Nile virus, the minister will no doubt be aware that there were some comments made by a Dr. Robert Anderson during the month of August, I believe it was, critical, highly critical of the government's strategy and the government's actions on West Nile virus this year and, in fact, the way they didn't act quickly enough to prevent the—and I don't think it's too strong a word to say outbreak that we had here in Manitoba.

I know that Mr. Anderson comes with some qualifications. He used to be an employee, I understand, of the Department of Health, so he's not without his credentials. This isn't a court of law; I'm not going to try to certify him as an expert, but I do think that his credentials speak for themselves.

I wonder if the minister can indicate, while she didn't have time to meet with Mr. Glass in the last six months when the report on the paramedics came out, whether or not she took the effort to make contact and meet with Mr. Anderson regarding his comments.

* (16:00)

Ms. Oswald: Certainly, there has been some discussion of late between the member opposite and me on the subject of West Nile virus. I can tell him that, since early in the spring, we've been having weekly updates and weekly meetings on the issue of West Nile virus. My meetings are with public health officials; specifically, with Dr. Joel Kettner and Dr. Susan Roberecki. No, I've not met with Dr. Anderson.

Mr. Goertzen: It seems to be something of a pattern here that when people of credibility, whether it's the paramedics or whether it's Mr. Anderson raise a

significant concern—and I don't think the minister would classify either the concerns regarding West Nile or the paramedics' concerns that they raised during the election being anything but significant—that they're promptly ignored. There isn't any, sort of, proactive initiative on behalf of the minister to reach out to these individuals to see what it is that their concerns are based on, and whether or not there's a proactive way to address those serious concerns. That's concerning for me. I haven't had the, I won't say the word luxury, but the opportunity to be the Minister of Health, and so I don't presume to say that her job is easy. But I do believe that to present you with these significant and difficult comments, that I would—the responsibility for the department or any department—reach out to these individuals to see what it is that they could suggest to make the issue easier.

The minister indicated in her comments, though, that she was having meetings this spring regarding West Nile virus and what to do about it. It's funny, because almost all of the experts say that conditions during the winter, the warm, winter weather indicated that this could be one of the worst years and, in fact, it proved to be one of the worst years. Is the minister telling me that she didn't have earlier briefings on this issue, and can she tell me when the first time either of her department officials came to her and said: Madam Minister, this looks like it's going to be a particularly difficult year for West Nile virus?

Ms. Oswald: First of all, on the issue of who I'm meeting with and not meeting with, I think that you can you pick a topic, any topic in health care, and the member will have an acquaintance or somebody that he believes that I should have met with, that perhaps I will have not. This is not exactly a jarring phenomenon. It's just a fact of being in the position of Minister of Health. One must ensure that one surrounds oneself with credible expert opinion and rely on that opinion. I can certainly tell you that our Chief Medical Officer of Health, Dr. Joel Kettner, is exactly that. Dr. Susan Roberecki is extremely knowledgeable in the area of West Nile. They follow these files year round. I can certainly say to the member that, while at this specific moment I cannot cite the date, with snow still on the ground when those first meetings about West Nile and the protocol for West Nile occurred, I can endeavour to attempt to get that information.

But those meetings, certainly, have come with regularity, and they've come early. They're also

supported by a very large number of scientific experts and credible data. While I certainly do respect other doctors or other professionals' opinions, I have endeavoured to focus my attention on the advice of those doctors and of the Chief Medical Officer of Health.

I think it's also worthwhile to note that, if we're talking about when did you first make a move or endeavour to do something about West Nile virus, I would say it certainly goes well back beyond warm, winter weather, but goes all the way back to 2002. Before any case of West Nile was ever sighted in Manitoba, we made an amendment in legislation to allow for the spraying and the lifting of buffer zones in a situation when there was a risk.

So I think it's important to acknowledge that work has been going on for years. I know the member opposite has made mention of California, citing a state of emergency as a result of West Nile. I think it's important to put on the public record that what California did in their state of emergency was to start to do that which Manitoba does and has done for years, as a matter of course. So, a state of emergency in California really, as Dr. Kettner said, you know, they did less, and they took longer to do it. So I think it's, on some level, mischief-making to suggest that the Chief Medical Officer of Health was not advising government in a timely manner to act, to put in place the protocols that have been put in place.

The larviciding programs expanded. We know that this summer health orders, which I think one could argue is a public notice of emergency, 19 of those health orders were issued this year. Nineteen communities, which is really double the number of health orders issued in every other year since the start of the program combined. There were 11 orders from 2002 to 2006, and so there's no question that there was an acknowledgement that the potential for West Nile was greater. That's why the brochure says, in full, not just in part, as the member quoted during Question Period, that the risk for contracting West Nile is relatively low, taking into account temperature, precipitation, other weather conditions, and so forth.

In fact, in the weekly West Nile reports that were made to the public, the risk was frequently, if not always, reported to be higher. So, overall, generally speaking, as the brochure said, the risk is relatively low, although Dr. Kettner would be cross if I didn't yet again mention that personal protection

is the single most important thing that we can do, that conditions can exist that will change that very low risk to be a higher one, and that's why those weekly public reports are made throughout the course of the summer. That's why there were more health orders issued this year than all the other years combined. And that's why we are seeing some results here in Manitoba that are better than some of our neighbours.

Mr. Goertzen: I think that the minister misses the point, and the issue relative to California was to draw the comparison about what a jurisdiction does when they see that their situation is getting worse or that they believe that the West Nile for that particular year is getting worse, they respond to it, they react to it. The minister, I would be hard-pressed to see any different sort of action or protocol that was taken. Yes, more weekly reports went out. I'm sure that 90 percent of the population subscribes to the government news releases that go out, so they all will have seen that. The reality is that most people simply aren't attuned to those sort of warnings, that there needs to be a broader response, a greater response from government.

The question that I'm going to leave the minister with, and perhaps she can indicate this tomorrow then when we return to some of the questions around this, but I want to leave time for some of my colleagues, is: When was it that the minister was advised that this could be one of the worst years we've had for West Nile virus? What did she put in place that was different from the protocol from previous years, and, again, California made a significant response to a changing environment.

So what did the minister put in place that was different, that would respond more significantly, recognizing that most people don't read weekly news releases from the government? They're not all sitting by their e-mail with bated breath to what release the government is going to put out about beaver deceivers that we heard in Question Period today, or whether or not her response is going to be happening from the department. You have to take a more proactive action when you're warned about this, and I think that's where the criticism is trying to resonate. So, if the minister could indicate, when I get a chance to return to questioning tomorrow, when it was that she was advised from her department that this would be a dangerous year and what proactive action she took to protect Manitobans other than putting out brochures.

* (16:10)

Ms. Oswald: Mr. Chair, again, the member is just putting inaccurate information on the record. Yes, we do issue weekly reports and those reports are transmitted in a variety of fashions. I have to say that there was never a day that a report was issued that we didn't have our media, and responsibly so, following up with reports that would be on radio, that would be on television. We have Dr. Kettner available to the media because some of the complexities around trap counts and how decisions are made about health orders being issued are exactly that. He is made available, and that information was disseminated.

There is information on radio; there is information posted in the newspaper that the member neglects to cite. We larvacided in more communities this year than almost every other—I think in '05 we larvacided in a couple more communities than we did this year, but 49 communities, we larvacided in this year, which we know to be one of the best ways to attempt to mitigate the development of *Culex tarsalis* mosquitoes. We also, once again, issued 19 health orders, orders that go directly into communities, orders that are communicated to the people in those communities, more than all of the other years combined.

So, when we have indications from chief medical officers of Health from whom we take our advice—government does not endeavour to make these medical decisions. It has to be made from a medical professional and it should not be made in any other way. We take our advice from the Chief Medical Officer of Health. It was from him that those 19 orders were advised to be made and we acted on each and every one of them and made those orders. It was from him that brochures, that newspapers, that radio, that weekly reports were made, and it was from him and in conjunction with him that we have extended our surveillance this year and our weekly reports, which normally end earlier in the season but we are continuing with them and monitoring.

So the member is just wrong in saying that things were not done differently this year. We have reacted to the advice of the Chief Medical Officer of Health and will continue to do so, and that is certainly our responsibility as a government and in listening to the advice of the Chief Medical Officer of Health. There have been, to date, 16 updates weekly on West Nile virus, the latest coming out

today. We're going to continue to keep the public informed, and we're going to continue to work on finding new ways that we can communicate.

I know that the member opposite says he has some ideas about how to even better disseminate information to the people of Manitoba. I'm open to that. If he's got brilliant communication ideas that he wishes to share, I am not against listening to that and doing what we can for the people of Manitoba, as in past I've not been against listening to the advice of members opposite on certain issues and moving forward in a non-partisan way for the betterment of health of the people of Manitoba. I think that that's what the people of Manitoba would expect from me and I will endeavour to do no less.

Mrs. Leanne Rowat (Minnedosa): Just as a comment to the issue or the topic that was being discussed, I do know that in the community and the region that I live in, Westman, it's an extremely serious incident of contamination, or individuals receiving positive testing for this virus. I believe that, in talking to health officials in my communities, there's been a minimum of two people per day being tested through the summer months, so a minimum of two in a small health-care facility within my community. That just goes to show the severity of this. Personally knowing children and young mothers who are suffering from the side effects of this is devastating to families and to individuals that have to deal with this. So I believe that the discussion that has just completed is very, very important to Manitobans, and I encourage the minister to take up the Member for Steinbach's (Mr. Goertzen) suggestions and ideas.

I believe that we need to work in an effort to ensure that we do not have the numbers that we've had this year in outbreak. It's tragic and it's heartbreaking for a number of families, and I appreciate the efforts he's putting in in raising public awareness on that issue.

My question ties into what the Member for Turtle Mountain (Mr. Cullen), his questions in the House today regarding personal care homes and the issue of having vacancies within the personal care homes. I believe in the community of Souris there are, at a minimum, three vacant beds at this point in their care home, and individuals are waiting in acute care to be placed within the PCH within that community. It is extremely upsetting for the family to have their loved ones waiting in an acute care facility which does not provide the same type of

environment for an individual who is looking for a place that will provide the appropriate type of care that is required.

I'm going to ask the minister: Can you give me a sense of what it would cost on a daily basis for an individual who is in an acute care facility and then give me a costing of what it would cost to have an individual in a personal care facility?

Ms. Oswald: Certainly, I would be very prepared to provide the member opposite with the arithmetic on that issue. There are a number of variables of course that would be related to that concerning specific patient acuity, for example concerning the health support that would be required for that individual, speaking in the broadest and over arching terms the level to which a person might be panelled, the type of hospital. So there are a number of variables, but taking some of those into account to try to give the best estimate of a number of different scenarios, I'd be happy to get back to the member with that particular arithmetic with different scenarios.

I would also say that we had this conversation with a couple of her colleagues, not the precise question she's asked but about the issue of vacancies in personal care home settings. Again, I would reiterate two points. One, that we have certainly committed prior to the election and are going forward on revisiting the staffing guidelines for personal care homes.

We know that those guidelines have not been amended or studied in any meaningful way since, I believe, about 1973 and we also would concur with what I believe the member said. I apologize if I'm mixing up two different members, but I believe you made a reference to acuity of patients. We know that that's changing and that families that used to go to personal care homes and visit their loved ones aren't necessarily going to visit the same kind of patient.

We know that those acuity levels are rising and that we need to look at the staffing levels in those care homes and make sure that they meet the kinds of needs that exist in personal care homes today. It also goes without saying that the single greatest thing, I believe, that we can be doing when it comes to vacancies in personal care homes, of nursing staff, of health-care aides, that we need to work to build our complement of health-care professionals.

* (16:20)

Our record on that has been good, a good start with 1,589 more nurses on the college registries, but

we also know that we need to do more, and we've committed to adding an additional 700 nurses to the system to begin to deal with some of these vacancy issues, because I know that what the member is saying is quite true. People want to visit their families in their communities. So, as we endeavour to raise the complement of staffing and make it appropriate to the level of acuity and have more nurses and health-care aides in the system, we're going to be able to do that.

Mrs. Rowat: Can the minister indicate to me what the status is? Where are you at in reviewing these guidelines? Have you struck a committee? Have you already started to discuss this with the nursing community? Who is on this committee that will be looking at the staffing guidelines? This is a discussion point and I'd like to have some clarification on where you're at on that.

Ms. Oswald: I was just confirming the process that we're at.

The work of the committee has been ongoing since the spring. Indeed, their analysis has all but been completed. The committee was comprised of people from regional health authorities, of nurses, nurses from the front line. They have offered advice to government about what may make sense as far as that kind of complement of staffing, what a good mix would be. So we are working through our processes now about how to go forward with that and how to best ensure that we can continue to build that complement, but the advice has been received by government and we're working on it.

Mrs. Rowat: Can the minister indicate to me when we can expect some type of an announcement, or some type of recommendation or an announcement on those guidelines?

Ms. Oswald: I can say that we will be making our plans in detail known to the public as soon as possible. Certainly, nurses that are working on the front line in personal care homes would expect no less. So, as soon as possible.

Mrs. Rowat: I'm just a little sceptical based on what is happening in the community of Rivers. There has been a report sitting on her desk for a year and a half going on two years now regarding the phase 2 of the Rivers facility. So I'm just, you know, being cautious and kind of curious if that's going to be the same amount of time that it's going to take to respond to the staffing guidelines.

With regard to phase 2 of the Rivers health facility, I've received an e-mail or a fax from the mayor of Rivers who has indicated that they've received a letter from the minister and, in discussions with the ARHA, are getting mixed messages about responsibility or accountability. The mayor has indicated that the letter that he has received from the minister dated September 25, but received October 1 was confusing and did not clarify anything for them. The ARHA advises that phase 2 is in the hands of the Manitoba government, of Health. Yet, if you read the letter from the minister, she advises we need to work closely with the ARHA in negotiating these services for citizens in the region. The mayor does indicate also that they're no further ahead as Manitoba government advises it is the ARHA we have to work with and the ARHA advises it's Manitoba Health.

He also indicates that Manitoba Health has had the proposal, the ARHA sent it in one and a half to two years ago. It can't take that long to decide. Also, what other communities in Manitoba can say that they are currently sitting with over \$500,000 of private investment for a project.

So I'm just sharing with the minister the response that I received based on her correspondence to the community. The community wants to meet with the minister, and I believe that Rivers is probably not the only community. I do also know that Wawanesa would like to meet with the minister. I do know that there's a committee of at least 50 to 70 municipalities that have pulled together, very concerned that there doesn't seem to be any type of communication coming from the minister with regard to a strategy for these communities.

I'd like to ask the minister if she could please share with me her intent in, or how she's planning to respond to these communities who are obviously asking for some type of leadership from this government on their concerns, which cover various areas of nursing, doctor, technologist services, as well as facility infrastructure deficits.

Ms. Oswald: On the subject of Rivers, if there is confusion in the community concerning our need to work in co-operation with their regional health authority on prioritizing and working on capital construction, I'll absolutely endeavour to clarify that. It certainly was not our understanding that the region was at all concerned about the role that they were going to play in that construction and in that project. Certainly, I think that the member is well aware that we are committed to building capital infrastructure in

rural Manitoba, and we have shown that. Certainly, there have been investments at Rivers and, as I indicated in my letter, we will work with the regional health authority and with the community. If I have not already responded to the community of Rivers about meeting with them specifically, I'm absolutely happy to do that.

As I said to the member's colleagues earlier today, there's no question that there are requests coming from every region of the province on capital infrastructure. There are requests coming from every opposition member that's asked me questions today. It is, no doubt about it, an effort to balance and to try to prioritize and to try to be as supportive, as you have rightly said, of the hard work and the fundraising that communities have done; many, many communities have done. So we are committed to endeavouring to build as many of those projects as we can. They certainly cannot all be built in one day or in one year.

The member has expressed dissatisfaction with the time that it's taking for us to make a decision about Rivers. Certainly, I'm sorry for that, but it's because we are working with the region to endeavour to get the project done. If pressed into an answer today, are we going to build the Rivers phase 2 today, it would be a very difficult thing to answer, looking at the broad needs that are being requested across the province; not, I don't want to be pressed into that today, because the answer would likely not be the one that the community would like. We would like to continue to work with the region to try to make these projects come to fruition, just as we would like to make the projects that the Member for Pembina (Mr. Dyck) asks come to fruition, that the Member for Turtle Mountain (Mr. Cullen), the Member for Steinbach (Mr. Goertzen). All across rural Manitoba, we've got requests, and we want to endeavour to work to do that.

I noted with interest, knowing the passion that the member brings to the table about this issue, that there wasn't the faintest notion of a commitment from her party during the election campaign. Indeed, they came out of the city once to Portage la Prairie to make a health-care announcement. We are committed, as we have been, to building rural Manitoba and bringing that care closer to home. We're going to work with the Assiniboine Regional Health Authority and Rivers as best we can. Am I promising you today that we're going to build phase 2? No, I'm not, because we have a lot of work to do to get there. Am I promising the Member for Pembina today that

that personal care home that he is requesting passionately, is it going to be built today? I'm not promising that because we made commitments during the election campaign on capital infrastructure, and we're going to get those commitments done. We're not going to promise things that we can't deliver.

* (16:30)

So I am committing to the member today that we will continue to work with the ARHA, and we will continue to have discussions to balance all of the asks that come across rural Manitoba and northern Manitoba and the urban centres to build the health-care system in a way that's going to be best for the people of Manitoba.

Mrs. Rowat: The political answer that we get is quite interesting. These communities know that the commitment is there from their MLA to ensure that those projects are front and centre for them. I bring them up on a regular basis. We've asked for a meeting on August 7 for the community of Wawanesa; I've not received a response from the minister on that. So that sort of gives me an indication of what she thinks or has a vested interest in my communities. If there's no response, that sort of gives a fairly clear understanding of where she's at on the issues in Westman.

This community has raised \$500,000. The R.M. of Blanchard, the R.M. of Daly, the Town of Rivers, have all invested dollars and time in this project in Rivers and received no real answers from this minister other than a confusing letter that places blame or places responsibility elsewhere—to indicate that it's a go to the ARHA to negotiate these services. The ARHA is sending them back to Manitoba government. I think it's a disrespect to the community leaders and the health-action committee in their efforts to see a project move forward.

I believe that the mayor is right. This is a community that's raised \$500,000 towards a project. How many other communities in Manitoba currently are sitting with that type of a nest egg to move an initiative forward? They've recently lost a doctor. They have no ER or acute care right at this point. They believe that it's directly related to the need for this phase 2 project, so I would encourage the minister to consider an opportunity to get out to Westman.

Madam Chairperson in the Chair

I do know that she should be considering a tour out during AMM. I would be more than willing to co-ordinate a meeting with Wawanesa and Rivers with the minister to sit down and to talk to these two communities who have very strong opinions about their facility and how services can best be delivered. I believe that Wawanesa has been in contact with a physician that left the province, wants to return to his home town of Wawanesa to practise, but I believe that they can't share these ideas and these options with the minister if she's not responding to their requests for meetings. So I believe that she should seriously heed correspondence that comes from communities, from individuals such as Diane Diehl, Audrey Wilton, women in the community that are advocates for rural health care, and feel that they are not being listened to by this government or by this minister.

With regard to wait lists, which is another severe deficit in strategy by this government in rural Manitoba, I'd raised an issue with the minister in Question Period last session. It was regarding a young woman, Jazmane Guy from the community of Carroll. She suffered a serious knee injury, and the family have been told that it would take up to two years for necessary surgery. She's still waiting, Madam Chairperson. The government position, and I'm going to quote, from Ms. Guy, is that the government's position seems to be, oh well, too bad, if you lived in Winnipeg, we may be able to help you. This is a quote from Ms. Guy in an e-mail. He also indicates that—

Madam Chairperson: The honourable Member for Minnedosa, is that a document in the public domain or is that a—

Mrs. Rowat: Just a comment that he has made to the—

Madam Chairperson: Are you reading from something? Is it a document?

Mrs. Rowat: I'm reading through my notes to clear my question—

Madam Chairperson: So it's not an e-mail or something. Thank you.

Mrs. Rowat: The doctor has reported to the Guy family from the Pan Am Clinic that surgery will not be available till 2008. This is a 16-, 17-year-old girl who is waiting to have surgery so that she can be active, and as I indicated in Question Period at the

time, to be a young girl who cannot do the things that a 17-year-old child should be able to do.

Things are not getting better with wait lists, Madam Chair. Surgery 2008. Another resident in my community of Souris, Mrs. Wray, is waiting for a referral to see Dr. Klippenstein, and her appointment is in 2009. This is absolutely ridiculous. I believe that the minister needs to hear these things and needs to be responding to these types of issues because people like Jazmane Guy and Fern Wray both deserve quality health care as every other Manitoban. We are seeing more and more individuals facing situations that just take away from their quality of life and actually have given up in believing that this government is actually going to act instead of just put out press releases.

Ms. Oswald: There are a number of issues to address in the comments of the member opposite, and, again, certainly, on the issue of Rivers, I will say that we are more than happy to meet with them to learn of their challenges, to strategize with them, to work in conjunction with the region, and I absolutely do not deny that the work that goes on by communities, by hospital foundations, as I was saying with the Member for Morris earlier, that work is very, very important work.

As I said, with previous members in the committee today, when each and every one of them came forward with a capital infrastructure health request, we need to work together to strike a balance in when we can construct, where we can construct, and it cannot all be done today. Nor would we promise it to be today.

We did, however, make a number of commitments, unlike the members opposite who made one trip outside of Winnipeg for a health announcement. So you can be holier than thou in your discussions about our alleged abandonment of rural health care, but we're talking about new or renovated hospitals in Brandon, Swan River, Thompson, The Pas, Beausejour, Pinawa, Gimli, Morden-Winkler, Ste. Anne, Steinbach, Shoal Lake and one on the way in Selkirk.

CT scanners in Brandon, Steinbach, Thompson, The Pas, Selkirk, Morden-Winkler, Portage la Prairie.

The first MRI outside of Winnipeg installed in Brandon, and an MRI on the way in Boundary Trails.

Madam Chairperson, 160 new ambulances for most of rural and northern Manitoba, and I can't

blame the member opposite for heckling because I'm sure she doesn't want it on the record the work that we've done in rural Manitoba and the work that they didn't even bother to mention in the election campaign while they were making \$800 million in irresponsible tax cuts, what would probably equate to closing every hospital in rural Manitoba, so let's keep it a little real here. Building a linear accelerator in Brandon, dialysis units in Garden Hill, Norway House, and Portage la Prairie. More doctors and nurses working in rural Manitoba. Record-breaking numbers—

Madam Chairperson: Order please. I want to take a moment please and remind all honourable members to provide the courtesy of your attention to the member who has the floor. It is acceptable to carry on conversations at the committee table as long as they do not disrupt the proceedings. I believe all honourable members wish to keep the discussion and questioning flowing on constructively, and I respectfully ask for your co-operation in this matter.

* (16:40)

Ms. Oswald: Thank you very much, Madam Chair. As I was saying, an increase in the number of doctors on the College of Physicians and Surgeons registry, including 86 doctors in rural and northern Manitoba, which is, admittedly, a good start. We need more doctors. We need a doctor to reopen the Rivers ER, absolutely. We do that by recruitment, retention, by building the seats at our medical school and not cutting them.

We know that we have a number of projects that we have committed to in the recent election campaign, including the addition of a hundred doctors to Manitoba. How many doctors did the members opposite commit to add to the registry? The answer's zero. We know that we committed to add 700 more nurses. Again, when we talk about the situations in our personal care homes, in our rural hospitals, we know that this represents a movement in the right direction, but we need to be building our work force and not tearing it down.

I can say specifically to the member opposite that the Assiniboine Regional Health Authority has informed us that they are going to aggressively pursue discussions with Dr. Abell, if I'm pronouncing that correctly. So we look forward to some success in that area and will support them in that pursuit.

Lastly, on the subject of the two individuals that the member opposite mentioned concerning wait times. We are working diligently in a number of areas to bring down our wait times. If the member opposite is in possession of information that we may not have already, and if the member opposite would like to bring that information forward, or have that individual bring the information forward on the latest status that the member has talked about—she's a little sensitive now that I've outed her on her lack of commitment to rural Manitoba in the most meaningful time, I guess, in a politician's life, during the election campaign. Almost entirely absent was rural Manitoba from their health-care agenda, but the people of Manitoba know. The people of Manitoba know. Perhaps, we can only hope she'll send them this *Hansard* too.

In any event, on the specific subject of those issues, we clearly have a problem in communication with these individual physicians and their referrals. The information that the individual is bringing forward on these wait times is absolutely inconsistent with the information that we have. So we are very interested in this information to be able to assist these individuals in mining through wait list problems that may exist with a physician holding dear his or her individual wait list and not centralizing it. So we're very interested in having more information.

In particular, I would just add, Madam Chair, that we do, in our discussions on the public record here, want to ensure that we're being very cautious about all of the rules of personal health information. I have very little question that the member opposite has had the permission of these individuals to send correspondence, but just to be sure about what the rules are about sharing it in *Hansard* and the public record, we would just want to be cautious about that. But I would say again that these dates that these individuals are being given are inconsistent with what we know to be true in the progress we've made on wait times, and we want to do what we can to assist these individuals in getting the care that they need when they need it.

Mr. Cliff Cullen (Turtle Mountain): It's certainly interesting to listen to the minister talk about some other investments around the province. I think I'd like to bring her back to the real world.

Specifically, Killarney, I think, is probably a pretty good indication of health-care facilities around the province and the lack of staffing that we have.

The local council there called me over about a year ago now, and the concern was a lack of registered nurses at the time. So I met with the respective two councils at that time, both the urban and rural councils, as well as the representatives from the Assiniboine Regional Health Authority and the CEO as well. It was quite disturbing to me to find that, I believe, there were five individuals representing the health authority there. All five of those particular individuals were in administrative roles. All five of those were registered nurses. So it's no surprise in my mind that we have a shortage of front-line nursing staff when all of our nurses end up in administrative positions. Now, obviously, we can't blame the nurses for taking on those particular roles, but we just wonder if there might be some other options available for us.

I raised the question in Question Period today, in terms of Bayside Personal Care Home in Killarney. Because of the lack of nursing staff there, we have 11 empty beds and I believe there're nine people on the waiting list that would like to get into those beds, but because of the shortage of staff they are not being allowed into those beds. So it certainly seems to be a chronic situation in southwestern Manitoba and through a number of facilities.

Now the respective councils there, in fact, there's now one council, it's the council of Killarney and Turtle Mountain, have requested a meeting with the minister for quite some time. They would like to discuss not only that particular issue but other health-related issues. There's been a situation where some of the support administrative staff who were operating some programs locally were taken out of that facility and centralized to other facilities. So the local councils would like to talk directly with the minister about these particular situations. I'm just wondering if the minister would be available.

I know the Member for Minnedosa (Mrs. Rowat) requested the minister come out to southwestern Manitoba; that would be great, but I do know this council is prepared to come to Winnipeg. In fact, they will be here tomorrow. So, if the minister could free up some time, it would be greatly appreciated.

Ms. Oswald: I spoke to the member about this earlier this week, in learning that they were coming to speak to another minister this Friday. It's not possible on my schedule for that to happen, but as I said to him earlier this week and, of course, will say to him again, we are very happy to meet with the people of Killarney to learn of their concerns and to

work with them and with the region to endeavour to support them in addressing those concerns.

I know that the member opposite has cited vacancies, as he did today in Question Period, in a personal care home. As I said in Question Period today, certainly, we are working very diligently, specifically on the issue of personal care home staffing. We have had individuals directly related to front-line care taking a very close look at the PCH staffing guidelines, which have not been examined since the mid-70s. That analysis has been done, and, of course, it very much needed to be done, when we look at the issue of the acuity of patients in personal care homes. The nature of the needs of the patients and the kinds of supports that those individuals require in the context of a personal care home are not the same as they were in the '70s. So nurses have had a very active voice in the discussion of what kind of staffing complement is needed in the context of a personal care home. We take that advice very seriously. As I've said to a couple of other members today, we look forward to taking that advice and being able to make statements about how it is we're going to be adapting those guidelines.

* (16:50)

But the bottom line of it, of course, Madam Chair, is that we need more health human resources in our system. There's absolutely no question about that. While I am going to work hard to resist talking to members of the opposition on the subject of complements of nurses in the work force, I will resist that. I will go on to say that, in addition to increasing our numbers on the college registries by some 1,500 since 1999, we have committed to adding an additional 700 with specific dedications to the kinds of environments that the member is raising, the personal care home environments and long-term care.

We also know that when we're talking about the care for our seniors, that in the context of a long-term care strategy, we also need to be building other options so that when our loved ones, our grandmas and our grandpas and our moms and our dads, need to have that care, that the only option for them is not just a personal care home, which some individuals, unquestionably, they need. But we also want to work with our regional health authorities to be building other options. Supports for seniors in group living, for example. Forms of supportive housing where families or loved ones that aren't quite yet ready for a personal care home environment can find options in

rural Manitoba and in northern Manitoba where they can be living with just a little bit more support so that they can be safe. They can be with their families and living in their communities.

One of the ways that we can do that, Madam Chair, is with home care. We continue to work to build home care. We know that the Canadian Institute for Health Information in March of 2007 recognizes Manitoba is investing more in home care than nearly every other province. We know that the *Winnipeg Free Press* noted that Manitoba's program is the best in Canada. We know that since '99, on that front, we've invested more than \$90 million to improve and increase and expand home care.

It's with that comprehensive kind of program that we can work together to provide more options for seniors in their homes, to provide more options for families to support their loved ones, and in those situations of acuity where family members need to transition into a personal care home setting, we know that by undertaking this examination and this study of staffing guidelines, that we'll be able to take advice from nurses on the front line and do what is right for the nurses and the health-care aides in those personal care homes and do what's right for the clients and the people of Manitoba to care for their loved ones.

Do we have more work to do? Absolutely, we do, Madam Chair. That's why we're working to increase that complement of nurses, to increase our complement of doctors and to work to build and develop capital infrastructure that's going to be right for our older Manitobans at the right times of their lives and when they need them.

Madam Chairperson: Honourable Member for Turtle Mountain, and, just prior to that, I want to just remind members that I need to be able to hear the questions and the answers, so thank you.

Mr. Cullen: I guess in looking at the clock here, I'll try to wrap a couple of questions up here, and one, if I can, just for the record. The other issue that we're facing in a number of facilities is the lack of technologists, lab and X-ray technologists. Unfortunately, the system is pretty fragile in terms of if we lose one of these positions, it could lead to the closure of more than one emergency room. So it's something that, certainly, I think has to be addressed. I know there's a lot of pressure on technologists from other jurisdictions, as well.

The second issue relates to ambulance service, EMS service. As the pressure becomes mounting on these various facilities and ERs—they're subject to being closed from time to time—the ambulance service becomes even more important to us. I think we have to be careful in terms of what direction we're heading in terms of providing that service. Certainly, we have a number of volunteers that are committed to communities to keep that particular service going. I think it's important that the government provide the financial resources to train these individuals that are going to be there to provide the service, because it is a very important service; and, if they have the financial resources made available to them and the training available locally, I think the volunteers will come out and assist that. Going completely to a paid service has its drawbacks. I know we've had a lot of various hospitals—the ambulance service would actually be out of service because, even with paid positions, we still don't have enough bodies to cover it all the time. So we're running into a lot of situations in that regard.

So those are just the two issues that I want to leave with the minister that I think are very important in the health-care field.

Ms. Oswald: And two very important issues, indeed, raised by the Member for Turtle Mountain, and, you know, as I said before, the increasing of the health-care work force is an absolute priority. Technologists would be no exception.

The member is quite right in noting that, when we're able to build our complement of doctors, those doctors order tests, and we need to have those people in place to be able to work on processing those tests. We have increased the number of training spaces in partnership with Advanced Education for medical radiological technologists, I prefer to call them MRTs, and of course, medical laboratory technologists, MLTs. The MRT seats were expanded from 23 seats to 40 in '05-06, and the MLT seats were expanded from 25 to 30 in '05-06 and from 30 to 35 in '06-07. MLT seats were expanded further from 35 to 40 seats for the '07-08 fiscal year. So we know that we have to increase that complement.

During the election campaign we promised to hire 60 more technologists, and we know that the needs are in rural Manitoba predominantly for these services. So we are committing to work together to make that happen. We know that rural X-ray assistants' and lab assistants' cross-training programs

are going to help us go a long way to get there, and funding was provided for programs to work on that kind of cross-training. So, certainly, that's one issue that we take very seriously, and we acknowledge the Member for Turtle Mountain making that comment. We were on the case already expanding and training to ensure that we have more for rural Manitoba.

On the subject of EMS, I know that the member makes a valid point about the complement of people available to work in rural Manitoba. We know that legislation and certainly sound advice from the Paramedic Association of Manitoba, the president of which offers many thoughtful words about the importance of the primary-care paramedic program that we were able to announce about a week ago—certainly, it would be one or even two of their top five requests in terms of having complements of paramedics and professionals available in the field. The Paramedic Association acknowledges that we have made a number of important investments, and investments of the human kind are those that we have to continue to make.

So I appreciate what the Member for Turtle Mountain is saying about numbers of bodies in the field and what the issues of volunteerism versus education and pre-career education, a very high level of our paramedic force needs to be in. You know, we need to be careful in our transition, but we know that pre-hospital care is the most important care that people can be getting in an emergency situation on route to a hospital, and we need to ensure that our health-care professionals are, indeed, available and able in the largest numbers to do that. That's why our program in partnership with Red River is specifically designed to build our complement in rural and northern Manitoba.

Madam Chairperson: The time being 5 o'clock, I am interrupting proceedings. The Committee of Supply will resume sitting tomorrow at 10 a.m.

FINANCE

* (14:40)

Mr. Chairperson (Rob Altemeyer): Will the Committee of Supply please come to order. This section of the Committee of Supply will now resume consideration of the Estimates for the Department of Finance. As had been previously agreed, questioning for this department will proceed in a global manner. The floor is now open for questions.

Mr. Rick Borotsik (Brandon West): I wonder if we can start where we left off yesterday. There was a

question at exactly 5 o'clock with respect to contracts over \$25,000, and the minister had alluded to the fact that there were certain contracts that are not tendered, and those not-tendered contracts had to do specifically with the budget. I assume he was dealing with the preparation of the budget, and maybe he could just elaborate a bit on that.

Hon. Greg Selinger (Minister of Finance): My staff has compiled a list of the contracts over \$25,000 that are not tendered for, and I can provide the member with a list, but I'll just read into the record some examples.

One was, for example, a consulting contract to John A. MacDonald, who's a retired senior partner in an accounting firm in Winnipeg. We hired him to be the independent administrator for the labour sponsored investment funds. It was one of the recommendations that came out of the review from the Auditor General's office so we put a person in place to deal with those specific legal review matters.

Another one is Bloomberg, the financial software. This is software that provides right on the desk a screen for all the people buying, selling bonds, short-term, long-term debt, \$25,200. It's an annual fee to have access to that software.

Thomson Financial's proprietary software maintenance fee. It's a treasury manager software to manage the money as it goes through the accounts.

Fast Enterprises, this is probably the largest one. It's \$1.7 million. It was an update of our GenTax software. This is a unique program that we've put in place to allow businesses to remit taxes electronically, to file returns electronically. We had an announcement on this fall. So this company has a proprietary software package that we've been taking advantage of here in the province, and this puts us in a position where we're among the leaders in the country in reducing red tape for businesses as they interact with government around their remittances. There was another contract for \$800,000 to the same firm for the same type of activity.

Another \$26,000 contract to Bloomberg in January for financial software.

Moody's, an annual rating fee, \$97,000. You can't tender it. It's part of the credit-rating agencies. You pay them to rate your credit. Think about it.

Royal Bank of Canada, banking services, a three-year contract. We looked at that, whether we should tender it. The judgment was as the renewal

was cheaper than the tendering, it was a rising price environment with a very limited number of providers, and we felt that renewing the existing contract would be cheaper than going to tender. The experience elsewhere is when they tendered it out and cut loose the group that had been doing it, in our case the Royal Bank, that everybody came back higher, whereas a renewal was cheaper. So we went with that advice.

A hundred thousand for fees associated with Treasury borrowing program. Fees to set up our borrowing program in Australia. We've established what we call a "shelf" in Australia, the ability to sell bonds there. This was the putting in place of all the due diligence and all the information required so that the community over there that buys those products knows who we are as a province and what our credit rating is et cetera.

Validation services contract with a company called Ambiron TrustWave, about \$27,000. Compliance validation services, designed to manage the overall payment card industry, data security standard, the securities and exchange commission. This is a fee we pay annually. There is no alternative to that one.

Another \$100,000 to Bloomberg for financial software usage and, once again, it's to monitor financial markets. It's a yearly renewal.

Brown Financial print, \$35,000 specialized electronic printing and formatting services. It's a conversion of hard copy to electronic in hard copy format and it's with respect to the issue of provincial securities.

\$25,000 to the Collège universitaire de Saint Boniface for French language training. This is through our Francophone Affairs Secretariat. This is the contract we have with them to provide training to civil servants as well as elected politicians, and the member might know that we subsidize 50 percent of that. The member pays 50 percent. We provide 50 percent and this is the organization that provides it and they hire people on contracts to do it. There's another provider of that service as well, the École de la fonction publique du Canada. It's a federal agency. We purchase some French language training from them as well for \$25,000.

The Receiver General of Canada, supervision of companies. It's the OSFI organization. The member might be familiar with the Office of the Superintendent of Financial Institutions. We contract

with them to provide due diligence in some of our financial institutions like credit unions and caisses populaires.

The Conference Board of Canada, \$29,700 for an on-line e-library data service, an annual fee.

I'll provide this to the member. I think he'll find most of these things pretty much in order and understandable.

I'd like to answer a couple of other questions, if I could, that were asked of me yesterday to provide the member with further information.

The first one was Premier's expenses, were any of them covered in our department. No. Nothing complicated about that.

Then trips. I did confirm yesterday the New York trip. Interprovincial, I was in and out of Ottawa on the Francophone Affairs. I was in Edmonton on securities ministers meetings. I was in Vancouver for a Finance ministers' meeting. I was in Meech Lake for finance and securities matters. I was in Halifax just last month for the Francophone ministers' conference, and on my way back, I was in Montreal to talk to a professor or director of one of the schools in the McGill University about civil service reform.

In terms of Manitoba travel, do you want that as well?

An Honourable Member: No.

Mr. Selinger: There was one other trip that's not on here because we didn't pay for it. I was a part of the Prime Minister's delegation to the Francophonie in Bucharest last October.

Mr. Borotsik: Thank you, Mr. Minister. I really appreciate the fact of the listing of contracts. You did indicate at the close of last session that there were other contracts that were not tendered, and they had to do with the preparation of the budget documents effectively, and you didn't mention those in this dissertation. Are there other contracts over \$25,000 with reference to that document that's prepared? You talked about graphic design work, preparation of documents.

Mr. Selinger: The member's asking me about other contracts related to budget preparation?

Mr. Borotsik: Yes. That's where the minister seemed to be heading when I talked about untendered contracts. These untendered contracts, and I can go through them, and, at first blush, obviously, they're required. We're going to talk about

one of them a little later, but it was the budget documents that I think you were relating to with respect to graphic design, probably production, layout. Those are not tendered contracts, and could you expand as to why they cannot be tendered?

Mr. Selinger: It's a fairly long tradition. We're using the same firms, essentially, that were used before we were in government. A long tradition of those documents having to be prepared under very tight time schedules with providers that we have confidence in their ability to keep it confidential, and so we just carried on the same tradition. As that process rolls through, we've renewed those on a timely basis just to get the work done with a person who's proven his ability to deliver on time, on budget, with the quality of material.

Mr. Borotsik: Does the department or any of your staff, on occasion, check with other firms to do a correlation of costs to make sure that the costs that you are paying are consistent with the industry?

Mr. Selinger: We have done a phone-around to see if we're in the ballpark, and the answer is we're getting a pretty reasonable rate, we believe, for the kind of service. The member might know that a lot of times these take you late into the evening and early into the mornings on weekends and stuff, so there are not many people that are willing to do that on short notice.

Mr. Borotsik: If I could just talk about one of the contracts that you mentioned. I haven't had a chance to go over it, but it's \$1.7 million for GenTax. Has that got to do with TAXcess that has just been announced? Again, I know, as you indicated, that's a not-tendered document or contract. It's substantial amounts of dollars. Do you then do a due diligence as to whether it's in the same realm of cost with other software that is available in the industry?

Mr. Selinger: Yes. When we do these software arrangements, we usually do a search of everything available on offer and what best suits our needs, and then a cost comparison of the products that could do the job. This is fairly unique software. You can't really buy it off the shelf. It has to be tailored to your needs, so there was a fairly high degree of confidence in the recommendation I got that these were the best guys at the best price.

Mr. Borotsik: One other question just to clean up yesterday's. You had mentioned that you had two staff members in your office. They were being paid for by other corporations. Hydro being one of them, I

believe, was an individual, and the other one was Lotteries and Manitoba Liquor Control Commission. Can the minister just give me some understanding as to why Hydro and Lotteries and Liquor Control Commission would have a paid staff in the minister's office?

* (14:50)

Mr. Selinger: Well, I think I indicated yesterday they don't actually reside in my office. They're in the building, but we really only have room for one staff most of the time. It's a liaison role. Many of the questions that we get on the Crown corporations come through the minister's office, and we need personnel to basically get back and sort them out and figure out what people need to know and ensure that there's a timely response on whether it's service requests or permits. There's just a host of things that come through the office. It's been in place for quite a long time, as I understand it, to have that link between the Crown corp. and the minister's office to ensure that questions get answered, information gets provided. We get a lot of letters as well that have to be dealt with and handled back through the corporations. They have to respond to it because they have the information. So it just ensures that all that work gets done.

Mr. Borotsik: This is, obviously, detail with respect to the two organizations themselves, the Manitoba Liquor Control Commission and Manitoba Hydro.

Do these employees have a specific job function at all with the minister, and do they report directly to the minister's office and to the minister?

Mr. Selinger: They respond to ministerial needs for information about those Crown corporations as we get asked about that material from various members of the public, including the media. They are there to get the stuff done with respect to those topics.

Mr. Borotsik: I thank the minister for the information.

I'm going to switch gears a little bit now and talk about balanced budget legislation.

Mr. Selinger: I just want to—on secondments there were two other members that my staff just pointed out to me weren't mentioned. One was Louise Smith, executive director from STEM, Science, Technology, Energy and Mines, who was with us on a half-time basis working on performance measures. Another one is Kim Sharman, who is probably relevant to the next topic. She's been working on

summary budgeting and capital items for us, the whole balanced budget universe as it evolves, because of her accounting background. So we've had those people working with us as well in Treasury Board.

Mr. Borotsik: I'm sorry. I missed that, Mr. Minister. Where did the last individual come from?

Mr. Selinger: She came from Family Services and Housing.

Mr. Borotsik: Yes, I would like to switch gears and go into balanced budget legislation. The minister had indicated quite a while ago actually that he would be tabling balanced budget legislation. The legislation is not on the order paper; it's not on the notice paper.

Could the minister perhaps give me an understanding as to when he would see that legislation come forward?

Mr. Selinger: Spring.

Mr. Borotsik: Thank you. That's as close as we're going to get as to be spring, and I appreciate that there, certainly, is a lot of work to be done on the balanced budget legislation. As the minister is aware, that particular legislation came forward from a Conservative government at one point in time and it is very detailed.

I wonder with the balanced budget legislation that's being proposed right now, if the minister is in a position to explain as to whether he is going to continue with the penalty clause in the balanced budget legislation. There's a penalty clause for ministers should it not be balanced one year. If it's not balanced the second year, there's a larger penalty clause.

Mr. Selinger: I don't want to anticipate too much of the process because, as the member knows, a piece of legislation gets reviewed by several layers: caucus, legal counsel, Cabinet, et cetera. My guess would be probably there would remain some form of penalty clause but it's not finalized yet.

Mr. Borotsik: There is a shift to a summary budget. There's been some talk, certainly, with the balanced budget legislation, to a four-year rolling average on that summary. I wonder if the minister could, and I do appreciate that it's in draft stages at the present time, but I know the minister has some strong views on that particular legislation and I'm sure that he's had some opportunity to have some input.

On the rolling average for the four-year summary budget, does he have any comments to make on that particular aspect of the balanced budget legislation?

Mr. Selinger: The member would know that we had a consultant, Deloitte & Touche, who did an extensive review of this matter for us, and they recommended a four-year rolling average based on the realities of the summary budget, including large entities such as Hydro where the profitability of the corporation could be affected quite dramatically by weather conditions. We did have, about three or four years ago, losses in Manitoba Hydro in that particular year. I think it was '03-04 because of the second worst drought conditions in the history of the province.

So it was recommended to us that when you have the broader reporting entity with corporations, including Hydro, including MPIC, that can have variable results depending on conditions perhaps beyond their control, weather conditions. That applies to MPIC, as well. You can have hazardous conditions that drive up their claims experience, that a four-year rolling average would be a more sensible approach as opposed to an annual balance requirement that may not be under your control because of those circumstances that I mentioned.

That is the recommendation that we received. It's obviously being considered at the moment, but it's a measure that's used in other jurisdictions as well, a four-year rolling average.

Mr. Borotsik: The minister has, certainly, balanced his budget on an annual basis over the past numbers of years. I congratulate him on that. There are some areas perhaps that he still over-expends, but the budget has been balanced. I guess the fear that I would have is when you balance on an annual basis with the budget that you have, the revenues that you anticipate and the expenses that you anticipate, when you do that on a four-year rolling average, you have an opportunity to use some of those dollars into a budget year when, in fact, you should be cutting back in expenses as opposed to expending more dollars.

Well, is he still desirous of an annual operating budget that's going to be balanced as opposed to just simply a four-year summary?

Mr. Selinger: Well, under the current legislation which was passed by the previous government, there was a provision for what they call a Fiscal Stabilization Fund which could be drawn upon

annually when there was an operating shortfall. That was intended to allow for a balance when unforeseen circumstances or pressures put expenditure or revenues off the predictions that were in the original budget. That does happen. Every year, there are changes, usually within a certain margin, usually well within the margin of 5 percent, that occur every year. So the original mechanism to provide for flexibility was the Fiscal Stabilization Fund.

On a summary budget basis, you don't really have a Fiscal Stabilization Fund on the summary budget bottom line. So when you don't have that flexibility mechanism available to you anymore, I think the consultants felt that you needed a different mechanism to provide some flexibility. You wouldn't want to be in a situation where you had to, for example, cut your health care, education or any of your other big spending programs dramatically in a year when revenues went down, say to a drought, or say to some unfortunate circumstances, some disaster, et cetera.

So it is intended to provide a little flexibility, but maintain the overall fiscal discipline on a four-year rolling basis which, when you think about it, there's really no one year that a credit-rating agency would look at as being the reason why they would change your credit rating, either good or bad. They look at overall trend. They look at overall trend over a reasonable period of time, usually over an economic cycle. In our case, I think the recommendation for four years was intended to have a discipline within the normal mandate of a government.

Mr. Borotsik: Thank you, Mr. Minister. Should this legislation—and when it's put forward, certainly, there'll be plenty of debate, but the Fiscal Stabilization Fund I'm very familiar with, which we have I think approximately \$660 million currently in the fund. Where would the dollars in that fund go, should an alternate method of reporting happen?

Mr. Selinger: The fund actually most likely would probably stay in place, but it doesn't help you on a summary basis. It's already included on the bottom line on a summary basis. So if you take money in or out, it doesn't make a difference. It only has been helpful in the past on the operating budget, which is sort of a line further up the page. The summary budget has all the Crowns in it. You take out all the Crowns and wide organizations, you have the operating bottom line. The Fiscal Stabilization Fund, in effect, sits outside of that. So you could use it to balance on the operating budget, but it's within the

summary budget envelope, and therefore it can't be used in any practical way to balance.

* (15:00)

Mr. Borotsik: Thank you, Mr. Minister. I do understand it, and I do look forward to the legislation coming forward in the spring, sooner, hopefully, than later.

I wonder, Mr. Minister, if I can again change gears just a little bit and go to a debt. The minister has taken some great pleasure on a number of occasions indicating that the debt situation in Manitoba, using some criteria—and there are a number of criteria that can be used, whether it be debt to GDP, whether it be per-capita debt, whether it be net debt against real debt—and I guess the first thing I would like to ask is in the forecast for 2007-2008 budgets, that there's an \$860-million debt servicing requirement. That's in the budget documents. Was that the number that was used when the minister had indicated that the debt has been reduced to, I believe it was, if I may just look here, the minister, I think, said it was reduced to 7 cents from 13 cents, if memory serves me correctly. Was that the number that was used?

Mr. Selinger: I think I indicated that, when we came to office, about 13.2 percent of the annual operating budget was devoted to debt repayment, and it's now down to about 7.5 cents. It does reflect the actual number in the budget that we put aside for debt repayment.

An Honourable Member: The minister—

Mr. Chairperson: The honourable Member for Brandon West.

Mr. Borotsik: I'm sorry, Mr. Chairman. I apologize. I will identify it. The net debt to real debt, as my numbers show, the total debt of the Province of Manitoba at the current time shown in budget 2007 is \$18.3 billion. That's the total debt. Now, that's the real debt, as the minister identifies, as opposed to net debt. In effect, that \$18.3 billion is, in fact an increase of some \$4.8 billion from '98-99. Does the minister concur with that number?

Mr. Selinger: The terminology here is quite important. That refers to borrowings, total borrowings. If the member has a borrowing of \$2,000 on his personal account but \$1,000 in his savings account, his net debt is \$1,000. We have sinking funds; those are netted against the total borrowings to get a net debt number. The net debt

number is the most accurate number to reflect upon when you're looking at our exposure, because we do have resources set aside to repay the debt in a disciplined way.

Mr. Borotsik: Mr. Chairman, that is correct and I do understand that. In looking at the budget, in fact, the total debt of the Province of Manitoba, the public debt, is \$1.2 billion, less the Sinking Fund, Manitoba Hydro, Manitoba Housing Renewal Corporation, which gives a total of \$378 million that's appropriated to Finance. But in fact there is debt in that total of \$1.281 billion. There is other debt: Manitoba Hydro debt, Manitoba Housing and Renewal Corporation debt, Manitoba Agriculture Service Corporation debt. So the actual total is debt. This is page 98; I'm actually in the budget document.

Mr. Selinger: I just want to make sure I get on the same page as the member, so we can—98? He's in the Estimates book, okay.

Yes. The member in general is accurate there. It explains itself there. It's the interest on the public debt, \$1.1 billion and change; interest on departments' capital assets, \$107 million; interest on Trust and other special funds, \$44 million—for a total of \$1.28 billion less a variety of different sinking funds which brings it down \$1 billion and change for a net amount for this year for Finance of \$378 million. The public debt cost us at the top there at \$276 million which is, compared to the previous year, slightly lower by about \$6 million, and the total appropriations for Finance is the additional amount, but, for example, Hydro debt is self-financing because it's a government enterprise with its own revenue base, and it supports and looks after its own debt as part of its own discipline, similar with Manitoba Housing, similar with the Manitoba Agricultural Services Corporation. It has a borrowing program and a lending program and it self-finances. So that would explain the difference between the number at the top of the page. The number at the top of the page is the public debt supported by taxpayers. The number at the bottom of the page is the total appropriations for Finance, some of which is offset by revenues from self-supporting agencies.

Mr. Borotsik: Okay. I wonder if the Finance Minister would explain. Let's take Manitoba Hydro as an example, \$531 million, \$531 million and change, is self-funding through the corporation itself. Those are debt-servicing requirements, however, and those are still, as I understand, guaranteed by the provincial government.

Mr. Selinger: Yes, there is a guarantee by the government. There are debt-servicing requirements of Manitoba Hydro. They have to have a revenue and a program sufficient to support those, and the revenue comes from export sales and domestic sales.

Mr. Borotsik: Just to confirm for the record. That is, in fact, guaranteed by the government of Manitoba, so there are requirements there should anything happen, heaven forbid, with Manitoba Hydro and defaults, and the government of Manitoba would be responsible for that debt.

Mr. Selinger: The government guarantee provides for a cheaper borrowing rate for the Crown corporation with the Sovereign, basically the Crown, guaranteeing it. And in a worst-case scenario, the government would be the guarantor, but, as I said earlier, the Crown has retained earnings that have its own resources to service its own debt, and it follows its own discipline there.

Mr. Borotsik: And the same is true with Manitoba Housing and Renewal Corporation and with Manitoba Agricultural Services Corporation where they lend money, obviously, and they have some debt servicing on that money that's been borrowed?

Mr. Selinger: Yes. If the member wanted to know what was composed of the \$378 million, if he went to page 91 in that same book and looked at the summary of programs that's composed of \$378 million; that's the explanation of how we get that number there.

Mr. Borotsik: One of my concerns on a global basis, and the minister has been accurate in suggesting that the cost of servicing that debt has been reduced, I think he would agree with me that one of the advantages that the minister's had over the last numbers of years is an interest rate that's certainly been a lot lower than in previous years. If I go back, from memory, I think, back in the early '90s, interest rates at that time were in the neighbourhood of anywhere from 12 to 14.5 points.

Can the minister tell me right now what a 1 percent interest rate increase would do to the borrowings and what the debt-servicing costs would increase in the province of Manitoba?

Mr. Selinger: One percent, my Treasury ADM informs me, would be in the order of \$10-million exposure on an annual basis.

Mr. Borotsik: That's low.

Mr. Selinger: And the explanation for why that's low is because we only have a certain portion of our debt floating. Most of it's locked in for longer terms so it's a \$10 million exposure on a far smaller number.

Mr. Borotsik: That's a very good point in itself. Can the minister explain to me or tell me just how much is locked in and what is on a floating basis at the present time?

Mr. Selinger: We'll give you precise numbers if you just hang on for a second.

* (15:10)

Mr. Borotsik: While you're looking for that information, I know the minister has an awful lot of very capable, very professional people in his department, and I suspect that he looks at the possibility of increased interest rates going forward. We recognize, currently, that there are some circumstances that are raising their ugly heads right now south of the border. We do know that they have some difficulties with some prime issues. Their housing stocks are substantially higher than they have been in the past.

We know that the Government of Canada through the Bank of Canada is looking at raising interest rates. Has the minister got any opinion as to where the rates will be going in the next 12 to 18 months?

Mr. Selinger: Well, one thing the member might have heard, the old expression that to be an economist is to be a member of what they call the dismal science because just about every prediction they make is not accurate, all with due respect to the economists in the room who don't seem to be taking it personally, but it's very much a moving target. I mean, there was a feeling June into early summer that rates were rising, and our short-term rates were rising. We saw maybe 50 basis point increase in the rates, but it's also been flattening out lately because of some of the turbulence in the United States and on world markets.

So right now the prognosis is—probably, it depends who you talk to—but I think the prognosis is it's pretty much stable at the moment. Where that will go in the next year it's really hard to say. I mean these things are dramatically impacted by specific events and how they reverberate throughout the world financial community.

The banks of Canada and their equivalents, independent banks on behalf of various nations around the world, have been very vigilant in ensuring there's liquidity available to prevent any crises going on right now, and, if you've noticed lately, the Bank of Canada has been injecting liquidity into the Canadian market in the last few days.

You know, we've got a reasonably good system of international monitoring going on by the banks of Canada and their equivalents around the world. So I'm reasonably confident that they're managing it, but there are lots of issues to be dealt with as we go forward.

There are some indicators that suggest rates might increase. Those are inflationary indicators, such as the hot economy in Alberta, but recent information suggests that that economy is cooling off somewhat. On the other side of the coin, there's some real pressure, downward pressure, on manufacturing and losses of jobs in Ontario. So to be the head of the Bank of Canada right now there's really two Canadas. There's a fairly prosperous and growing west and a struggling central Canada in Québec. So I think that suggests that they'll probably go down the middle and keep things pretty stable. I don't really foresee dramatic increases or declines unless some specific precipitating factor comes along that jolts everything right now. So I think it's a pretty steady situation.

Mr. Borotsik: Thank you, Mr. Minister, and we hope you're right. One, certainly, can't foretell any of the major catastrophic circumstances that may well happen in the world's economy over the next 12 to 18 months, but, certainly, we hope that it's as stable as you indicate. Certainly, within Canada's purview we should be looking at, I think, some interest rate increases, and I'm sure that your economists and your staff have probably identified minor increases over the next 12 to 18 months.

Mr. Selinger: Well, as I said earlier, the short-term market is in flux at the moment. The long-term market actually has been quite healthy. There's been what they call an inverted yield curve. Long-term rates have actually been lower than short-term rates over the last short period of time, which is, as the member suggests, fairly rare, but it has created opportunities. That's one of the reasons we decided to move on funding the pension liability for teachers because we were able to get long-term money out of what we consider to be a very good rate.

So we look at the market, long and short, to see what opportunities there are to ensure value for Manitobans on any of the borrowings or obligations they have financially. In every situation there's an up side and a down side and depending on how agile you are and what your priorities are you can find ways to move forward, but at the moment I don't think there'll be dramatic rate increases unless inflation gets out of control. We have a lot of pressures, but we've actually seen in Manitoba a very good situation on inflation. Across the country it's been moderating as well, but Manitoba's inflation rate has actually come down in the last little while. I think it's moderating across the country as well at the moment. So the next quarter doesn't look unreasonable at this stage of the game, and most economists try not to predict too much beyond the quarter without getting into the land of speculation, predictions that may not be that accurate because of the parameters being so flexible and fluid at the moment.

Mr. Borotsik: As I read these documents, and, certainly, the Estimates, it seems that the net, direct and guaranteed debt has increased. Does the minister have a desire to retire the debt? As I'm sure he's aware, there was an announcement just recently from the federal government where they had a surplus of some \$13.8 billion, and those dollars went into total debt retirement. Is the minister looking at a long-term, well-thought-out debt-retirement plan to bring down the debt in Manitoba from levels that it's reached right now? As I had indicated earlier in my opening comments, Mr. McCallum said, and I quote Mr. McCallum: If we aren't prepared to and cannot in times of good economic growth and development retire the debt, then when will we? So is the minister prepared to put forward a debt-retirement plan?

Mr. Selinger: We do actually have a debt-retirement plan. It's available to the member. It's published in the budget, and it's a long-term plan. It's had two elements to it: it's had an element of retiring the absolute debt at a minimum of \$110 million a year and paying off obligations, long-term debt obligations. The other feature that we brought in, unique to this government, is a plan to deal with the pension liability, which is also a form of debt.

That had been completely ignored by the previous administration, and the result of that amount had gone from about \$1.1 billion to about \$2.8 billion. We put in place a long-term plan to tackle both the pension liabilities for teachers and public servants, where the employer's portion hadn't

been paid since 1961-62, that era there, until we came into office, and we started making annual contributions to the employer's portion. That was our first move. Our second move was to start ensuring that every new employee had their employer's contributions paid. Then our third move was to do some long-term borrowing to retire some of those obligations in those funds, up to 75 percent in the teachers' fund. So we've had a plan that has been very well received by the credit rating agencies and has resulted in credit rating upgrades. So Manitoba's fiscal discipline is well respected in world markets and across the country, in North America, Europe. We're considered to do a very good job on managing our fiscal resources.

Mr. Borotsik: The \$17.2-billion worth of debt, net, direct and guaranteed debt, does not include the unfunded liability from the pension fund that the minister has indicated. The \$2.8 billion in unfunded liability, yes, in fact, the minister did borrow \$1.5 billion, as I understand, in funds to fund the unfunded liability, or a portion of the unfunded liability, in the teachers' pension fund. Can he give me terms on that long-term borrowing, as well as not only the length of the term, but the financial rate on the term?

Mr. Selinger: In broad terms, the transaction to secure the 75 percent of the employer's obligation for the teachers' fund has 30-year interest rate protection, and the interest rate we got on that was below 4.7 percent, which we consider to be a very good rate for long-term money. There is some liquidity risk five years out, but it's managed by our Treasury to ensure there won't be an issue there. So the way that it's worked is that we have a program in place that allows us to further get the money that we need as we go forward with protection on the interest-rate side.

*(15:20)

Mr. Borotsik: Can the minister just expand a bit on the liquidity risk in five years out? On a long-term, 30-year term on any type of borrowing of this nature is usually locked in. What is the liquidity requirement?

Mr. Selinger: One element of the transaction, about a third of it, has to be rolled over in five years. So there is a slight exposure around bankers' acceptances, instruments of five to 10 basis points. But it's not considered to be an enormous risk in view of the fact that the long-term interest rate is locked down..

Mr. Borotsik: There are a number of major projects that are ongoing at the present time. One of them is the floodway project which is cost-shared with the federal government. We don't know at this time exactly what the financial requirement would be, but it's certainly going to be in the neighbourhood of a half a billion dollars, I would suspect. Is that going to be debt financed or is that going to be cash flowed?

Mr. Selinger: One of the joys of GAAP accounting is that all of these major investments have to be amortized over the useful life of the asset. So every asset is classified as to how long it's reasonably expected to last. A building 40 years. I think, in the case of the floodway, it is 40 years. So you have to amortize the asset over that period of time. That includes highways as well. This is just some of the new realities that we're dealing with. Previous assets have to be set up on the books and depreciated. New assets have to be set up on the books and amortized over their useful life.

Mr. Borotsik: The issue of amortization and debt financing are two different things. Of course, you amortize a capital item over the life of that particular item. The question is, though, not the amortization period, but the requirement for debt financing as opposed to cash flow. Does the government have to go out to the markets to borrow to pay for that capital project?

Mr. Selinger: Yes, that's how you build capital assets in the province. You borrow it and you amortize it down over the useful life of the asset. That's just the reality of how we do assets in Manitoba. Those assets provide significant benefits, in the case of the floodway to all those people that are protected by the floodway, the overall majority of them being in the Winnipeg region. The investment is one that avoids significant disaster relief costs in the future and significant damage to private and public property, and it's considered to be a good long-term investment in the province.

Mr. Borotsik: I'm not arguing the long-term investment. What I'm suggesting is that you could cash that out of cash flow, if you had the opportunity. We have a \$13-plus-billion budget, and, obviously, it's not being funded out of cash flow; it's going to be funded out of debt. So there will be more debt in the next statement.

The same is true, if I may, with respect to the Hydro building. I do know that the minister is not responsible for that particular corporation. However, there is a requirement there to guarantee debt from

Manitoba Hydro. Is it his understanding that the new Hydro building and, again, it could have a 40-year or a 50-year lifespan and you can amortize it over that period, but is it going to be debt financed as opposed to cash flow from Hydro?

Mr. Selinger: I'd have to check on that, but my assumption is it will be debt financed.

Mr. Borotsik: The minister also touched on the infrastructure and, again, I agree with the minister. Infrastructure, in my opinion, is one of the most vital investments that we have to make in this province. We recognize that there are deficiencies in bridges and roads and in sewer and water, particularly, and in waste water treatment plants. We could talk about that with respect to the city of Winnipeg and what's happening with the environment.

In saying that, the government has identified a program, a \$4-billion program over 10 years, \$400 million a year. There was just another announcement of \$125 million going into bridges, which I applaud the government. Again, my question would be: Those monies, on an annual basis, is that debt financing as opposed to cash flow?

Mr. Selinger: The answer is yes. The money will be borrowed and set up on the books to be amortized over the useful life of the asset to ensure that we have those vital pieces of infrastructure in place. This is standard practice for governments to do this now, as we've moved to the GAAP treatment. There was a time when we paid cash for highways. But, when we're required to put on the books and depreciate existing infrastructure and amortize new infrastructure, it was pretty much a wash; there wasn't the cash available that we had before because it was dedicated to paying down the old stuff. So the reality was that you have to debt finance it if you want these resources to be in place.

The difference now is that in the old days governments used to run a deficit, but it wasn't set up in a disciplined fashion to be paid down in synchronization with the assets that it went against. A lot of times it was used to fund current operational expenses. The borrowings now are for assets that have a specific lifetime attached to them according to accounting standards. They are meant to build the wealth of the Province. That's why the debt-to-GDP ratio is the most important ratio in the credit rating agencies' mind. If your debt-to-GDP ratio was declining, which ours has been, by over 25 percent since we've come to office, that means your economy is growing faster than your borrowings, your net

debt. As a result, your economy has a greater ability to support that.

It's the job of a government to find the right mix of borrowings and investments in assets that will help grow the economy and provide essential services to people going to school, people requiring health facilities to people requiring infrastructure such as highways, water and sewer. Getting that mix right is one that is reflected in a declining debt-to-GDP ratio, which is what we have in this province.

Mr. Borotsik: That's a great segue. The minister has just indicated that with these major projects, the floodway, as well as the Hydro building, as well as infrastructure costs, that, in fact, our debt will increase. He's just admitted to it. I don't disagree with him that it will be debt funded, as opposed to cash flow. You can cash flow fund projects, if, in fact, you have the cash available. There's a bit of a misnomer there. You don't have to borrow money to fund a major project. You can pay it with cash. You can still amortize it over a period of time and take the depreciation. But, regardless, the minister has indicated that, in fact, there will be some increased debt in the coming year, in coming years, perhaps, because some of those projects won't be completed in this fiscal year, but will be completed in the next fiscal year.

The minister, would he agree with me in suggesting that with some of the difficulties that we have on the horizon with the economy that, in fact, the GDP in Manitoba could be impacted in a negative basis, that the GDP could be reduced? As a matter of fact, some of the numbers I've been looking at just recently, some of the economists—again, I agree with you, you ask 10 economists for an opinion, you're going to get 10 different opinions. However, some of the economists are suggesting that our growth is going to slow. In fact, some of them have indicated that the growth in Canada could well be at 1 percent within the next 12 months depending on what happens in the global economy.

If that happens and Manitoba's economy follows suit, then the minister, would he agree with me that our debt-to-GDP ratio would change in a negative fashion, that, in fact, our debt, because we've increased debt, and GDP is going to become less, that, in fact, that debt-to-GDP would be in a worse situation than we are currently?

Mr. Selinger: I've got to say that the member shouldn't rely on the extreme economics opinion of 1

percent growth for the country. None of the mainstream economic forecasters are predicting that.

An Honourable Member: That was the lowest I heard.

* (15:30)

Mr. Selinger: But that's an outlier, that's what I'd call the extreme position. Usually, when you make a judgment you throw out the high one, you throw out the low one and you average out the remainder to get a reasonable forecast.

We don't rely on any one indicator for our forecasting growth in the economy. But Manitoba's economy is one of the more diversified and resilient economies. History shows us that when there is a slowdown in the Canadian economy, generally the Manitoba economy tends to be more resilient than the rest of the provinces that are slowing down. So we tend to be more stable.

Economic forecast growing forward, I think there is moderation in future economic forecasts. But, certainly, the growth expected in the coming year, in real terms the forecast for '08 is 2.9 percent in real economic growth. So it still looks pretty robust in Manitoba. I mean, this year was 3.1, as I recall in real terms, 3.1. So there will be a moderation in the forecast for the future, and we'll monitor that closely. But, as I said earlier, Manitoba's economy tends to be more resilient and more stable than many of the hothouse economies that rely more exclusively on commodities and world prices to determine how they're going to do.

The member said before that I had said there was going to be more debt; I said there's going to be a continuing discipline on maintaining the debt-to-GDP ratio in a stable fashion. We'd like to keep it slowly ticking down, which shows the capacity of our economy to support its investments as being strengthened. There will be some increases in the investments that will be debt-financed, because there's a strong public desire to have improved infrastructure. There is a strong public desire to have the floodway. There's a strong public desire to have a variety of health facilities. The member benefits from a \$58-million investment in Brandon, for example.

So these things are done in a way that allows us to maintain one of the stronger credit ratings in the country and to have that credit rating improved, to increase our ability to service our debt, to increase our ability to have a strong and dynamic economy

that can support the debt, and at the same time make investments that allow us to grow in the future.

Mr. Borotsik: I think the capital investment in the hospital was in excess of \$60 million, so I'll give you even more than the 58 that you identified. But that's a very good point as well.

There's another major project that has been announced and agreed to by your government, and that's the relocation of Assiniboine Community College. It's more infrastructure required and I compliment the government on making that decision. As I said earlier in another session, education is so vital for us here in Manitoba to prepare our students for the economy that they're entering into, whether it be in Manitoba or whether it be on an international basis. So the ACC education component is very important, but there's a dollar value placed on that, too. I know that there has been no finalization of the capital requirement for that, but, again, I would ask the question, I assume that that capital requirement will be acquiring of more debt as opposed to cash flow through the Department of Education.

Mr. Selinger: As I've said before, we borrow to finance investments in long-term capital assets. I expect that will be the case. There might be some conditions that change that, depending on how the federal government invests its year-end surplus. I mean, one thing we know for sure is that the federal contribution to post-secondary education is down to 7 percent. It's at 50 percent of the historic amount. It's very low, and the federal government made a commitment to start increasing their investments in post-secondary education and returning some of that money to the jurisdictions that they took it away from. So, I mean, if the federal government lives up to its word and puts some of its surplus back into post-secondary education across the country, we may have opportunities to further invest in post-secondary education, but, generally, those long-term assets are financed.

Mr. Borotsik: Transfer payments and equalization payments is at a later date. We'll talk about the transfers that have been accruing to the province of Manitoba. Certainly, the equalization has been fairly generous over the last numbers of years. So the federal government, I think, has been a very major part of the total budgetary expenses that have been incurred by the province of Manitoba.

But, back to the debt, I do know that approximately, well, I'll ask the question: I believe, approximately 40 percent of the debt that is currently

held by the Province of Manitoba is held in American funds. If that's not correct, please correct me.

Mr. Selinger: While we're just confirming the information for the Member for Brandon West, I just wanted to put on the record that, of our borrowings, \$13 billion is fixed, 1.1 is floating, and 1 percent would cost us an additional \$11 million. There's an additional 1.6 that has, it's floated within Manitoba and secured by assets within Manitoba. So I said \$10 million before. They've now calculated that the 1 percent change in interest rate would cost us about \$11 million.

Mr. Borotsik: Thank you for that information, Mr. Minister. I appreciate that.

Again, the question is: Is the amount of debt that's being held in American funds at the present time? And how has the Canadian dollar affected those debt-servicing costs, either on a positive or negative basis?

I do know that your department has, over the past, as they should have, hedged a lot of the American borrowings. Has that, in fact, been a negative cost to the borrowings at the present time?

Mr. Selinger: I'm going to start giving you an answer until my colleagues catch up to me. In general terms, government borrowings are fully transferred back into Canadian dollars so there is no security risk, no currency exchange risk. We've been doing that since I've been the minister. I didn't feel that it was our job to get involved in currency exposure situations.

In Hydro, they have borrowings denominated in American dollars, fully offset by American revenue. So there's a natural hedge there. It kind of looks after itself. But, on the general purpose government side, we have no currency exposure that I'm aware of.

In our general purpose government debt, there are \$2.5 billion in American dollars, but they're entirely hedged, and there is no currency exchange risk. In the Hydro situation, as I said, it's about \$2.2 billion, which is hedged against their revenues for exports. So we don't believe we have any significant currency rate exposure in either case.

Mr. Borotsik: I appreciate that and that's good news. With the currency on par at the present time, was there any positive advantage that we received? I know that you hedged the \$2.5 billion. Did we receive any positive advantage with having the

currency on par at the present time with repayment of debt?

Mr. Selinger: There is no financial gain with the Canadian dollar, and, quite frankly, we're not in the business of speculating that way.

Mr. Borotsik: That's too bad, Mr. Minister. I wish we could have taken some advantage over the increase in the Canadian dollar, but I do appreciate the fact that, when borrowing money in U.S. funds, that you have to hedge, and that you do, in fact, have to make sure that there's a currency neutrality there.

One other thing with respect to debt, there is an annual report that I'm in receipt of. It's the Manitoba Debt Retirement Fund. Albeit it's limited in its scope. The contribution at the year ending March 31, 2007, was \$25 million, and it does seem to be a flow through. It's a transfer. You talk about the \$110 million. It's transferred from operating. It went into the pension, I suspect; \$85 million was transferred into the pension obligation, which left an additional \$25 million on an annual basis. So there's two years. There's a current balance in there of some \$51 million.

Do you anticipate increasing this particular Debt Retirement Fund by \$25 million per year? As I say, it's a flow through into the pension. I appreciate there is \$110 million of surplus; 85 went to the pension offset. Are you anticipating \$25 million a year going into this Debt Retirement Fund?

Mr. Selinger: The way we handle that, we have an allocation committee chaired by the deputy minister with the ADM of Treasury that sits on it, and some outside experts as well. Every year they sit down and take a look at that \$110 million and make a judgment as to where we'll get the most bang for the buck, over how that money should be invested to give us the best benefits for Manitobans. So it's an annual decision made by the debt retirement allocation committee.

* (15:40)

Mr. Borotsik: As I understand it, we have a \$51-million balance in the debt retirement fund, currently. What do you anticipate on doing with that \$51 million?

Mr. Selinger: Well, normally, that would go towards reducing the long-term debt of the Province. So we'll take a recommendation on that, but that's what we would allocate it towards, normally.

Mr. Borotsik: We just identified a number of major projects that are going to be debt-financed. Perhaps the \$51 million could be a contribution to that as opposed to acquiring the full debt on all of those major projects, but that's, as you say, a decision to be made by the deputy minister and the committee.

Mr. Selinger: Yes, and the judgment call is that, as the member referenced earlier, the cost of money right now, especially with an inverted yield curve, is actually reasonably cost-effective. So we probably would look at getting the most cost-effective money for any new assets and using cash to retire outstanding debt that was bearing a higher interest rate. So, I mean, you make an economic financial decision that works best for Manitobans.

Mr. Borotsik: Are the majority of the borrowings currently at a fixed rate or are they at a floating rate?

Mr. Selinger: We do go with fixed rates, long-term rates. Generally, we have no more than about 10 percent in a floating rate amount; 90 percent is financed in a long-term fashion.

Mr. Borotsik: Thank you. If I could, I'm going to pass over the microphone to my colleague for some questions.

Mr. Ralph Eichler (Lakeside): Mr. Chairperson, I appreciate the opportunity to ask the minister a couple of questions that came up as a result of my Estimates with the Minister of Agriculture the other day. The first one's on the CAIS program. We are of the understanding that we paid out \$70-plus million. Under the CAIS program, we budgeted \$52 million. I was wondering if the minister or his staff would be able to explain to us where that shortfall came from; as far as being able to pick up the extra revenue for that, where it came from and what department.

Mr. Selinger: I want to clarify. Is that the '06-07 numbers that you're referring to?

Mr. Eichler: That is correct.

Mr. Selinger: Well, while my officials look at some detail on that, you know, normally, the CAIS program is discussed in the Minister of Agriculture Estimates, so we don't usually have that kind of level of detailed information here at this table. So I may have to get that for him, but the member will know that the CAIS program has some considerable challenges in the design of it, which cause heartburn to a lot of provincial governments. A lot of times, the requirements for payouts come in after the fiscal year that you've budgeted for, so it puts provincial

governments in a situation where sometimes the payouts, you can't anticipate them, even though you've had your best forecast up front.

The situation that you're describing, subject to verification, may be one of those situations where the amount budgeted for and the amount that was required to be paid out diverged in which case we have to find a way to source that money to meet our obligations. That has been a frustration for us as a provincial government, and many provincial governments have had that frustration. We have tried, through the Department of Agriculture, to get that program to be understood as an insurance program, which really it is. When you think about it, it's insurance of income, or security of income, for farmers to manage the hills and valleys of commodity prices which we all know are determined at an international level. We're not price makers here. We're price takers in this province and most provinces.

So the reality is that, in the absence of the federal government agreeing to its being an insurance program where we could set up reserves and write it off over a period of time, we're in a situation where, if the obligations exceed the budgeted amount based on the best forecast, we have to find that money elsewhere. Sometimes we have to find that money from the Fiscal Stabilization Fund or other economies we can achieve across government.

It's one of those many risks that a provincial government doesn't have a control over, because we don't control the design of the program, but we have to find a way to make sure that we get cash to farmers when they need it. That's why things like fiscal stabilization funds and four-year averages actually make sense because you can't control all of those things. We can't control the weather. We can't control commodity prices. We can't control input costs, even though we'd all like to, but we do have an obligation to provide that program on a cost-shared basis to farmers in partnership with the federal government.

So I think the member understands that, but I just wanted to set the record straight for him. My suspicion is that we've had to find that money out of the general government resources where it hasn't been budgeted for within the department. So the bottom line was we had to fund it out of general revenues when the number came in higher than what the best forecast was that we were able to put into the budget.

Mr. Eichler: I think he probably answered my next question in the answer that he just gave me in regard to the school tax rebate. Because there's a three-year time line on that program as well, whereby the farmers have three years in order to claim that money back, but a number of farmers didn't have the money to pay the taxes in the first place in order to apply for the refund so there's a substantial amount of money that is outstanding in that department as well.

So how does the province adjust the books going back three years as far as those millions of dollars that is outstanding in payments owed to the farmers with the results of them not being able to pay it?

Mr. Selinger: With our full GAAP accounting, something we all live with joyously, we accrue those amounts. We put them on the books as possible liabilities going forward, because we know that it's not always possible, or farmers don't always apply for them at the most advantageous time or they might not be in a position where they feel they can apply for it at that time. So we set it up on the books to make sure that it's available when they need it and when they apply for it.

Mr. Eichler: I can make it really simple for the Department of Finance, if you would want to take an idea from the Member for Lakeside, and that would be that the education tax be paid directly to the municipalities rather than through the application to apply for it back. That would, certainly, alleviate that accounting problem, and you would indeed have true GAAP without having to guess at it from year to year.

Mr. Selinger: I thank the member for the suggestion.

Mr. Eichler: I'm sure it will definitely see the light of day, one day, maybe not under this government, but maybe the next.

With respect to lawyers, engineers, architects and accountants with the PST on fees, could we have some type of an indication on how much revenue that actually brings in for the Province of Manitoba?

Mr. Selinger: I'll have to get that for the member. That particular ADM isn't in the room, but he'll get that request immediately. I'll get back to you as soon as I can.

Mr. Eichler: The reason why I was asking was it was going to bring me into the next set of questions in regard to realtors. With the amount of real estate that has traded hands, is there any indication by your

department or staff that would be looking at including realtors' fees, the PST on those, or is it something that we're going to try and stay away from?

Mr. Selinger: There are no plans. Is the member suggesting it?

Mr. Eichler: Definitely not, Mr. Chair. I would not want to see the government go there.

The other issue that I have is the commission that's been taken away from businesses for collecting the PST. The ceiling right now is \$3,000, which is not an awful lot of money in today's society. Small businesses are struggling, as we know. We want to encourage as much small business within the province of Manitoba to grow and prosper. I was wondering if there is any indication that we might be able to see that ceiling raised to say, \$6,000, over the next one- or two-year period. I, certainly, see it as another way of trying to encourage small business to come to Manitoba, which we all know and I'm sure the minister understands is the backbone of Manitoba.

*(15:50)

Mr. Selinger: Well, I take all suggestions from members and the public. I take them seriously. I'm at a slight disadvantage here because we're still in global. These are very specific questions related to my taxation division, and I'd be happy to deal with those with the ADMs here so I could give you a more timely answer. I don't want to be difficult, but I really think with all the officials in the room we should move into the specifics and not put people at a disadvantage here.

Just on the general question of small business, we've really made a significant effort to reduce red tape for filing requirements for small business. Depending on the size of businesses now, they only have to file once a year instead of monthly. We've done the TAXcess system, which allows people that do have to file to have electronic means to do it. So we've made a real effort to reduce the overhead costs for businesses in their requirements to meet provincial tax regulations.

But the general point that he's making about whether they get a fee or some sort of commission for collecting taxes, we note that there is none of that for the GST for business. They get nothing. They just have to do it. We at least have a system in place that provides some benefits to PST collectors in the province, so we're in a far superior position to the

federal government in terms of the role that small business plays in collecting resources for us. We also have to be efficient and modernize; and, as we reduce red tape requirements, then we'd like to think that we can streamline commissions as well.

Mr. Eichler: I thank the minister for his response to my questions and suggestions, and I do understand that being on global, if he would get back to me on those, I certainly would appreciate it.

As far as the response as far as the GST is concerned, I think that we as leaders in the Province of Manitoba could show the federal government good leadership and lead by example. So, having said that, I'll close my comments, and turn it back over to the critic. Thank you for your comments, Mr. Minister.

Mr. Borotsik: I take it we now have the individuals responsible for Taxation. Can I flip into Taxation, Mr. Minister.

Mr. Selinger: Are we still on global? I think I'd like to get an indication of when we're going to end global because I don't think it's right to have all my staff here. I'd like to be able to get down to the business of reviewing our Estimates, deal with it on a line-by-line basis, release staff to get back to doing the job they're paid for, rather than having the room with a whole accumulation of people to deal with global matters that are ranging all over the place.

Mr. Borotsik: I don't disagree with you. I, certainly, would like to see the people back to doing the work that they're paid for.

I am going to talk about some global issues with respect to taxation, being payroll tax, bracket creep, rates of taxation that you have on personal income tax that, as I assume, Mr. Minister, is still a global discussion.

Mr. Selinger: It can be, but my point is that I think we need to get some parameters as to how long we're going to stay in global so I can decide how many people I need in the room.

Mr. Borotsik: I'd like to deal with some tax issues. Then, if they're too complicated, as I say, I'm going to talk about some areas with respect to specific rates of taxation. If you could help me, Mr. Minister, I don't know exactly what the definition of "global" is with respect to line by line. I can go line by line in the Estimates, but that, certainly, would require everybody in here. I know that with the taxation

revenues I could probably talk about the same thing in revenue.

Mr. Selinger: I think the broader questions are clearly global. The questions yesterday on the specific FTEs and who's working where, actually, in my view, were not global. They were under the ministerial salary. For me, as I've done in the past, global questions usually dealt with broad policy and things like that, and I think you want to address that. So I'm happy to entertain them, but I do like to run an efficient ship if we can in terms of staff.

Mr. Borotsik: I've looked at the documents, and it seems the minister does run an efficient ship. So I give him congratulations on that.

If we can then just go into some taxation questions, and, as a global issue, it's the payroll tax. As the minister is well aware, we're the only province in western Canada that currently has a payroll tax. It's been seen by a lot of economists, by a lot of businesses, particularly in the province, as being a regressive tax. The first question I would have in a global perspective would be: Does the minister have any desire or any long-range plans to reduce and eventually get rid of the payroll tax that's currently affecting all businesses in Manitoba?

Mr. Selinger: The first thing I have to say is that I think it's a myth that we're the only province in western Canada with a payroll tax. It's called a different thing in other provinces. It's called a health premium tax in Alberta and British Columbia, and it's often paid as a payroll deduction by employers. In Ontario, there are actually two payroll taxes. There's a health levy and a general payroll tax. There's a special levy that was brought in under the McGuinty government, and there was always a health premium that had been there since the time of Davis. In Québec, there's a payroll tax as well. So, when you look across the country, you've got quite a bit of payroll-types of taxes. B.C., Alberta, Ontario and Québec charge substantial health-care premiums. These levies are in the form of a payroll tax. Manitoba's payroll tax was a health and education tax when it was introduced. So it's really not that different. Its design and the collection is slightly different in the way it's worked out, but it is somewhat of a myth to say that we're the only ones that have a payroll tax.

On whether or not we're going to phase it out, obviously, I can't make announcements in Estimates. We're talking about last year's budget. Future years' budgets will disclose themselves at the opportunity

when I present them to the Legislature. I did note in last year's budget that we lifted the threshold by \$250,000, which affected about 250 to 300 businesses. So we made a move in that regard to exclude more businesses from having to pay that tax—800 businesses. I stand corrected.

So, just by way of an opening comment, and then any follow-up questions I'll try to answer.

Mr. Borotsik: I'm aware of the fact that the limits have been increased. The exemption, effective January 1, 2008, will be from \$1 million to \$1.25 million. However, the cap for the 4.3 percent rate has actually increased from \$2 million to \$2.5 million. So the issue is that 4.3 percent rate is going to be attached to a much larger number. In effect, there's going to be—it's not going to be revenue neutral; there are going to be additional revenues that are going to be achieved.

Mr. Selinger: If I can, I want to correct that right away so the member doesn't ask that question and then I give it to him back in Question Period, because the whole point of the cap was to exclude more people from the 4.3 percent rate by lifting the cap.

Mr. Tom Nevakshonoff, Acting Chairperson, in the Chair

It gives a broader exemption at that level for people. The rationale here is that approximately 800 employers, representing 30 percent of all employers, will benefit from this measure; 200 employers will become exempt, and about 600 will pay less tax by the lifting of that cap and the lifting of that threshold. So there was no attempt to sort of get them on the one end and give it up on the other end. We weren't playing that kind of a game. We were making the whole system fairer.

Mr. Borotsik: Does the minister agree that the cap has been increased from \$2 million to \$2.5 million at that 4.3 percent?

Mr. Selinger: By increasing the cap from \$2 million to \$2.5 million, you don't start paying that rate until you hit \$2.5 million, whereas you used to pay it at \$2 million. So it's a plus. That's half a million more income you don't pay that rate on.

Mr. Borotsik: I'm going to have to do some numbers on this one, Mr. Minister, because I'm still not convinced that this is a benefit. You definitely raised the cap, but you still kept the rate at the same, 4.3. So I know the 1.25 is deducted from the number,

but, if you have a payroll in excess of \$1.25 million, you're still paying the 4.3 percent rate.

Mr. Selinger: Just to further clarify, this will be a \$7-million annual benefit to business, what we moved on in the last budget. It started in the last quarter of about \$1.8 million, and it'll roll out on an annual basis being worth about \$7 million. So nobody's paying more. Everybody's paying less. Annual payrolls of greater than \$2 million are taxable in full at 2.1 percent. Annual payrolls less than \$1 million are exempt. Now the annual payrolls at \$1.25 million are exempt. So that's an improvement for them. Annual payrolls between \$1 million and \$2 million, tax applies at 4.3 percent on the amount above \$1 million. That will now be applicable on the amount above \$1.25 million.

So it starts January 1, '08, and that's why we only have \$1.8 million in the first quarter of '08 and then \$7 million thereafter.

* (16:00)

Now I can give examples to the member. I'm just going to try and get a higher one here for him. Somebody with a payroll of \$2 million would have a reduction in tax of \$10,750. Somebody with a payroll of \$2.25 million, would have a reduction of \$5,375. Somebody that had a payroll of \$1,250,000 would see a reduction in tax of \$10,750 and that would also be the same reduction for people at 1.5-million payroll, and 1.75 million as well as the 2 million.

Now, those above 2.5 million do not see any benefit. Before, those above 2 million wouldn't see any benefit. So by lifting that cap, we've advantaged all those between 2 and 2.5 million. That's where it's a plus.

Mr. Borotsik: Thank you for that explanation, and I will go over the detail at a later—

Mr. Selinger: We'll give you that information if you want.

Mr. Borotsik: No, it's not in the budget.

Mr. Selinger: We'll provide that to you so that we get the record straight.

Mr. Borotsik: It's not in the budget. I know that that detail is not in the budget.

Mr. Selinger: We'll give you the table.

Mr. Chairperson in the Chair

Mr. Borotsik: Okay, thank you. Again, globally, the minister didn't indicate that there are other provinces that he would assume have a payroll tax. When you talk of a health premium, for example—and I've lived in jurisdictions where, in fact, I've been an employee where they have health premiums, in Ontario and in Alberta—in some cases those health premiums are cost-shared by the employee as well as the employer. I think it's a portion of a justification, but it certainly isn't a justification to say that that offsets any kind of a payroll tax.

I'll give you an example. I have a small construction company. It started out as a very small construction company in the city of Brandon, one that I take some pride in in getting them their start when I was in shopping centres. I had an opportunity to sit down and meet with them last weekend. One of their most serious concerns with respect to Manitoba was the fact that they're now in a position where they're large enough, and it doesn't take many employees nowadays, especially in the construction industry, to achieve a limit of \$1 million, or even for that matter, \$2 million in payroll tax. It was his comment, and I take it for what it's worth. He lives with it on an annual basis, the payroll tax. He had indicated that it's one of the most annoying taxes that he has to live with in any of the taxes that he pays here in the province of Manitoba. He, then, said something which I'm sure was just simply a matter of frustration; he said if he ever had to start a small business again, starting from where he did and achieved to where he got to, he would not do it in Manitoba based on the fact that he did have that payroll tax, in his opinion, and only in his opinion, some regressive corporation taxes.

It's, certainly, very frustrating being a Manitoban, born and raised, to hear another individual who would suggest that he would not do what he did again in Manitoba if he knew it was going to happen. That's why I ask the question: If there's an opportunity to get rid of the payroll tax—and I certainly wouldn't ask for any alternate taxation—I do know that the minister does have additional funds available to him in this budget, in the Estimates of this 2007-2008. I do know that it would be nice to prioritize those taxes that should be reduced. In saying that, can the minister tell me now exactly what the amount of the payroll tax was that was generated? I believe it's around 300 million, but can he tell me what the amount of the payroll tax is that's being generated currently in the province of Manitoba?

Mr. Selinger: In '06-07, the payroll tax was about \$317,654,000, and the forecast is \$328 million for this year.

But I want to return to this anecdotal example that the member gave to me. First thing we could say to that employer is that they have the lowest small business taxes in the country. The second thing we could say is that under this government they have a \$10-million exemption on capital tax. They used to only have \$5-million exemption, and they have a reduction in the rate on the capital tax. So their general corporate taxes have gone down. Their small business taxes are the lowest in the country. Their capital tax exemption has been doubled and the rate is going down. All the vehicles that he insures in Manitoba have the lowest rates in the country. All of these things make for a very competitive business environment. We look at that every year. In any province you can always find one thing that seems out of whack with somebody else, but if you look at the big picture we make a real effort. We succeeded in keeping Manitoba competitive for businesses to operate here. So I would hope he would respond to him. If he wants to refer him to me for a letter response, I'd be happy to do it because we do like to get accurate information out there.

The other thing that the member should know is that we made a commitment to eliminate the capital tax. This has been identified as one of the biggest impediments to investment and new technology, new equipment and the kind of things that will allow our businesses to be competitive internationally, particularly in a rising dollar environment. So we've moved on that. That has been a priority for us as well as the general rates of corporate and small business taxes.

In the United States, payroll taxes are far higher than any jurisdiction in Canada, and, as the member has so clearly put on the record, that's where 76 percent of our exports go. They all have to pay massive payroll taxes for a variety of things, including health benefits down there. We're very competitive with respect to the United States on any kind of payroll tax.

In Canada, as I said earlier, he is correct. In some jurisdictions the health premiums tax is shared between employers and employees. In the province to the east of us they have a double premium. They have a health premium and a head tax for health as well, so we've maintained Manitoba in a very competitive position. We've excluded the vast

majority of small businesses from the payroll tax. I think over 90 percent of businesses do not pay any payroll tax. Over 95 percent of all businesses do not pay any payroll tax in Manitoba.

Mr. Borotsik: That's because 95 percent of the businesses in Manitoba don't achieve the level of \$1 million or \$1.25 million effective January 8 in payroll, so it's easy to say that we have a lot of small businesses in Manitoba that don't have those levels of payrolls. For the ones that do have those levels of payrolls, I guess I'll ask another anecdotal question to the minister, and I do appreciate his comments.

I will, in fact, ask the individual that I was talking to, the small business owner, if in fact he would like to send a letter to the minister based on his dissatisfaction with the payroll tax. But the payroll tax currently, and I ask another anecdotal question. We recognize that we've just had a loss of a head office here in Manitoba. Now, through no fault of the minister, and I give that clarification, the head office of Agricore has left Manitoba. It has been relocated to Regina.

Saskatchewan, as the minister recognizes, does not have a payroll tax and we're going to talk about some comparables with respect to other tax rates between Manitoba and Saskatchewan. However, had there been a more favourable business taxation climate here in Manitoba, does the minister feel that we could have retained some of those Agricore jobs here in Winnipeg, Manitoba, as opposed to having them relocate to Regina, Saskatchewan?

Mr. Selinger: Well, the member will know from that specific and circumstances that taxes were never the issue in the decision to buy that company and move it to Saskatchewan. It was, as I understand it, what used to be the Saskatchewan Wheat Pool. Is that still the current name that they call it?

An Honourable Member: Viterra.

Mr. Selinger: Viterra, right; that's right. Some name we'll never remember, but the reality is that there's been a consolidation in that sector of the economy going on for a while.

The member should also know that several of those assets from Agricore were retained in terms of Manitoba control and head office control through Richardson. We've got a big chunk of those assets spun off to them as part of that three-way transaction. There were a couple of bids there, and when they all sorted themselves out, Richardson came out with several of those assets. Agricore was

folded into Viterra, as we now call it. It was very unfortunate that the whole company couldn't have been bought by Richardson, but it was a bidding war. They sawed off at a certain amount.

I'm hopeful we'll retain some of those jobs in Manitoba, but never anywhere in that transaction, at least in the material I read, was the issue of taxation the issue at all. It was about consolidation of the industry, economies of scale, commodity prices having been on a decline for several years now going up, and for that sector looking for greater economies such as scale and efficiencies through consolidation. I had been told for many years that that was on the horizon, and the specifics of that worked out the way they did. But it had been information that I'd received from contacts I had that that kind of consolidation was being looked at for several years in the west.

* (16:10)

Mr. Borotsik: Staying with the payroll tax, there are a number of governmental agencies that pay the payroll tax; in fact, the provincial government is awash; it charges itself payroll tax and washes it through. There are other governmental agencies. Universities charge payroll tax; the Manitoba government is totally responsible for the funding of the universities, but it's a wash-through.

Is there any opportunity of finding the breakdown as to the payment of the payroll tax as to where it comes from, which governmental agencies, as opposed to business?

Mr. Selinger: It's about a 50-50 split on the revenues; about half of them come from the public sector, the broader public sector, including the federal government, and the other half come roughly from the private sector.

Mr. Borotsik: Approximately \$160 million would be from the private sector and the rest coming from the public sector? Would that be fair to say?

Mr. Selinger: In broad terms, I think that would be reasonably accurate.

Mr. Borotsik: You did say that that included the federal government in the payroll tax in the public sector?

Mr. Selinger: Correct.

Mr. Borotsik: Thank you, Mr. Chairman. I do apologize. The minister and I are both on the same wavelength. We have a tendency of jumping in. I do

know that we go through the Chair, and I must congratulate the Chair on his behaviour without having to chastise either myself or the minister, so thank you very much. I will try to do better; I promise I will. However, once you get into this individual one-on-one repartee, it's hard to—

Mr. Chairperson: Understood.

Mr. Borotsik: Thank you, Mr. Chairman. I appreciate that.

Mr. Selinger: I do have a response. You asked earlier about the PST remittances. I think the Member for Lakeside (Mr. Eichler) asked that, and we got the information for him now. It's about \$32 million for that extension to those services.

Mr. Borotsik: I worked on that one. Again, the number displayed was the half, 50-50 and, if you could, just for my purposes, and I know you had the number earlier, but I forgot to write it down. How many actual businesses pay payroll tax at the present time in the province of Manitoba?

Mr. Selinger: About 2,400.

Mr. Borotsik: That represents 5 percent of the businesses in Manitoba? Because I was told that 95 percent of the businesses do not pay payroll tax.

Mr. Selinger: That would be the correct deduction. And, in addition, the member suggested that there were a lot of small businesses that don't pay payroll tax, and that's absolutely correct. It confirms what the member said earlier, that small businesses are among the fastest growing, the most dynamic sector in the province. That's one of the reasons we've made the small business tax rate the lowest in the country, so as to make sure that they get the chance to expand.

Mr. Borotsik: Mr. Chairman, if I can, in staying with taxation, go to another global policy. We've talked about the payroll tax and, as I have received from the minister, it seems that there's no desire on the minister's part to ever remove the payroll tax. I appreciate that his justification is that there are other payroll taxes in other jurisdictions. The fact of the matter is that, when I look at the schedules and I look at where it says payroll tax, it says Manitoba, yes; it says Saskatchewan, no; it says Alberta, no and it says B.C., no. It doesn't mention, at that time, that there's a health premium in Alberta or a health premium in Ontario, but I do say that it is very identifiable where there is a payroll tax identified in Manitoba, when we're in a competitive situation with

the other western Canadian provinces, particularly Saskatchewan, Alberta and B.C., that is something that is like a red flag. Now, I take it, and I'd like confirmation that the minister has said that he has no intentions at all of removing the payroll tax in Manitoba at this particular time or, for that matter, at even future dates.

Mr. Selinger: I don't recall saying that. I think the member's reading into what I said, but I'd be happy to check *Hansard* on that. I was explaining how the payroll tax works in Manitoba. I think I also said that I don't usually make budget announcements in Estimates. So, unless I turn myself inside out, which is not entirely impossible, I don't believe I made a commitment to either remove or retain the payroll tax. I didn't declare myself on that one way or the other. So, I just don't want the member to jump to any conclusions there.

We review our competitiveness on an annual basis and we look for ways to increase the competitiveness of the province of Manitoba as an affordable place to do business and to live. We look at a variety of measures to do that. You've seen the most extensive reductions in business and personal income taxes in the history of the province in the last eight years. Now, I know that's hard to deal with sometimes, because we're a New Democratic government, but those are the facts. It's a record that has made Manitoba have increasing disposable income. If you take a look at Alberta where the payroll tax doesn't exist, but a health premium does, the inflationary rate in Alberta is over 6 percent. Wages aren't going up 6 percent. People are actually having a decline in their disposable income. They're worse off this year than they were compared to last year. In Manitoba people are better off and the same goes for business.

Mr. Borotsik: I can speak with some confidence in Alberta. I have two sons who reside in Alberta. Unfortunately, they decided not to make Manitoba their home for any number of reasons, which I find unfortunate. I wish that we did have an opportunity to have my two sons come back. They, probably, won't because they have very good jobs in Alberta. They find that their tax rates are to the point now where they have substantially more take-home than they would in other jurisdictions. As much as the minister might suggest that Alberta isn't quite as competitive in the tax regime than Manitoba is, I would argue that. I think that they—

Mr. Selinger: I didn't say that. I said, in fact, that they do have some taxes that are lower than us, but their cost of living is growing and their inflation is growing at a much higher rate. It's over 6 percent. Our inflation rate in Manitoba is hovering around 2 percent. So their costs are going up triple ours every year, but their wages aren't going up triple ours. That's my point.

Mr. Borotsik: Certainly, there are other indications of the Alberta economy as well. If one tried to purchase a property in Alberta one would also recognize that the cost of that property is substantially more than Manitoba, but I can also tell you that the properties have increased quite substantially over the last three years too. So, there's a balancing there, regardless of what the inflationary rate is. There's certainly an offset without our asset increase.

On taxation, we've pretty much talked all about the payroll tax. Again, I don't wish to put words in the minister's mouth, and I know we aren't going to talk about budget deliberations right now. There's going to be a budget that's going to be tabled later. I guess my question will be then, a simple one. Ideologically, does the minister believe that a payroll tax is a positive tax for the province of Manitoba?

Mr. Selinger: In a perfect world nobody would pay taxes and all the services would be available to people. I haven't found that place yet. There are some places that don't charge taxes, but they have a very low quality of services as well. I can find you countries; I can find you states where they have no personal income tax. They have maybe abundant resource revenues or they have a very low quality of services and infrastructure or they get massive transfer payments from their federal partner, but the reality is that, you know, I'm not in the business of selling ideology. I'm in the business of keeping Manitoba competitive as the Minister of Finance and that's my intention to do that. I've done it for the last eight years. I plan to do it for four and then four more and then four more after that.

Mr. Borotsik: As the minister doesn't talk about budgets at this particular table—and I appreciate that—I'm not going to talk about the extension of his term as Finance Minister for four years, plus four years, plus four years. That's a crystal ball that we don't have at the present time to be able to look in. So I think we'll probably not go any further with that on that one.

Personal taxation. The minister takes some pride in the fact that he has decreased the rates of personal income tax and has increased the bracket. However, at the present time, we know that in Manitoba we have not got a fixed indexation for personal income tax. Again, from a global perspective and a policy perspective, does the minister see, at any time in the near future, where, in fact, indexation will be a part of the personal taxation rates in Manitoba?

* (16:20)

Mr. Selinger: The member is asking about indexing. I just want to start by a little retrospective about what we've done to reform the tax system in the first budget that we brought down as a new government. We did probably the most significant overhaul of personal income taxes than had been done in the last 30 years. When we came into government, personal income taxes had rates, they had a net tax, and they had a surtax. We eliminated the net tax. We eliminated the sur tax. We dramatically increased all the nonrefundable tax credits by 39 percent. We brought in a family tax reduction which was spread more broadly to benefit middle-income families. We eliminated what was in effect hundreds, maybe even thousands of tax thresholds and reduced them to three, three rates from hundreds of rates. So we dramatically simplified the personal tax regime in the province and made it a lot more understandable and a lot more affordable.

We have increased a variety of exemptions in the budget. Last year the spousal deduction was equalized with the personal exemption, and both of them were increased. When we first brought in the middle-income threshold at \$65,000, that was far greater than what indexing would have allowed for. When we reduced small business taxes by—well, actually, the rate was 9 when we came into office. The previous government had promised 8; we delivered on that in our first budget. Now we've reduced it to 3. That's far greater than what indexation would have provided.

So our approach to taxes is to make strategic decisions which keep us competitive and affordable, competitive for business, affordable for families and individuals. We've gone beyond indexation where necessary and where it's a positive for Manitobans. We've increased thresholds, we've increased nonrefundable rates, we've increased exemptions, and we've reduced the overall rate of taxation in Manitoba, to the tune of over \$600 million globally. So there've been a lot of positive improvements in

the tax regime in Manitoba, transparent, simpler, and more affordable.

Mr. Borotsik: I thank the minister for his comments, but the comment was with respect to indexation and bracket creep. He did indicate that, in his mind, he believes that, because of the change in tax structure, tax rates, it's offset anything that would take place with bracket creep and indexation.

The question still is: Is the minister prepared to look at, globally, the issue of indexation and bracket creep, as I'm sure the minister knows, and I do know he knows, that the other jurisdictions in western Canada, Saskatchewan, Alberta, and British Columbia, do in fact index the levels of income in their different brackets? Is the minister prepared to look at, at some point in time in his 4-year mandate, 8-year mandate, or next-12-year mandate, the idea of bracket creep and indexation?

Mr. Selinger: As I said earlier, I look at the whole ball of wax of taxation every year. We take a complete review of all of our rates, all of our thresholds, all of our exemptions. I do a thorough review of what the possibilities are every year and how we stack up, and how we can keep Manitoba in the top three for affordability, and how we can keep Manitoba competitive on business taxation. So the short answer is, yes, I look at it every year and I see what we can do.

Some years we've gone well beyond what indexing would have provided. I gave an example of the small business rate. It has been reduced by 67 percent, far in excess of what indexing would have provided if I would have been reducing it on an indexed basis. The thresholds in the early days, moving them from \$60,000 to \$65,000 exceeded what indexing would have provided right up front. Then we left it there for a while and worked on reducing the rate.

So, you know, you have a combination of tools to keep Manitoba affordable. You have rates; you have exemptions; you have indexing; you have thresholds. We look at all of those things and see which will give us the biggest bang for the buck and make sure that we keep Manitoba an affordable place for families to live, for individuals to live, for seniors to live. Last year, for example, we did income splitting for seniors. That was a major move. That's worth \$11 million to Manitoba seniors.

Mr. Borotsik: If memory serves me correctly, it was the federal government who had indicated that they

would be prepared to do the income splitting for seniors at age 65. It was at that time that the government of Manitoba followed suit. It was, certainly, an initiative that was put forward by the federal government, initially.

Mr. Selinger: The federal government did declare their intention to do income splitting for seniors after they decided to put the kibosh on income trusts. That was followed directly thereafter. We made our own independent judgment that we would support the income-splitting initiative. We put it in our budget and it cost us \$11 million of revenue, but we thought it was an appropriate thing to do for seniors.

Mr. Borotsik: Mr. Chairperson, the minister has identified that on an annual basis he goes through all of the different areas with respect to personal income tax to make sure that we're competitive with our neighbours, not only to the west, but to the east of us. We all have tables. I'm sure the minister has got a number of staff members to be able to put the tables forward.

The one table that I'm looking at right now is the typical one-earner family of \$40,000. In Manitoba, compared to British Columbia, Alberta, Saskatchewan, a one-earner family of four earning \$40,000 in Manitoba would pay provincial tax of some \$2,053. In Alberta, that same individual would pay \$780. That's a lot of health premium to offset the difference between \$2,053 and \$780.

But, I won't even compare to Alberta. I don't think that's fair. Alberta, certainly, has its own advantages and disadvantages, as the minister's identified, some of the disadvantages being of a substantially more expensive cost of living. However, I can compare to Saskatchewan. Saskatchewan, for that same individual, based on the tax rates at a level of \$40,000, which is above the first level of taxation rates in Manitoba—in Saskatchewan, that individual would pay \$1,655, which is approximately \$400, \$500 less than what he would have to pay in Manitoba.

So the minister's done all of his calculations and he's done all of his changes to his different rates, but, quite frankly, we're still behind our neighbour to the west. Is the minister prepared—I guess he is—to still be non-competitive with the province of Saskatchewan when it comes to personal tax rates?

Mr. Selinger: What we do is every year we examine how to make sure Manitoba stays in the top three for affordability. The member gave me two examples,

both Alberta and Saskatchewan. Alberta's personal costs are \$5,400 more for a family of four, one earner, than they are in Manitoba.

In Saskatchewan, they are lower in this example, but we do maintain several advantages in Manitoba. The most significant difference between the two provinces is in the area of mortgage costs in Manitoba versus Saskatchewan. When I look at the table here—and I think we're looking at the same table, maybe not—but I'm referring to—we do the Manitoba Advantage. I'm looking at pages D-14 and 15 in the budget document if he needs my reference point.

So, yes, the short answer is, we do want to make sure that Manitoba families stay competitive on the total costs of living and working in the jurisdiction that they live in, and, in our case, Manitoba. So we, for example, are lower on auto insurance. We are lower on gasoline tax. Gasoline tax is significantly higher in Saskatchewan than it is in Manitoba. So, if the family's going to drive, they are going to pay more there.

We're lower on electricity rates, very significantly lower, as I look at it here: \$1,300 versus \$756 in Manitoba. Unfortunately, we're higher on telephone costs. They have a Crown corporation; we don't anymore. So, you know, we look at the whole gamut of opportunities to make sure that we keep Manitoba families affordable.

* (16:30)

Some Honourable Members: Oh, oh.

Mr. Borotsik: The comment was with respect to the football team, but I don't think either one of them has too much of a record to be proud of. I don't think either the Saskatchewan Rough Riders or the Blue Bombers has gone to the Grey Cup for quite a while. So we'll wait and see what happens. We'll wait and see what happens, certainly, this year. *[interjection]* No, we still don't know which is the best one of those two.

Anyway, back to the business at hand. Personal cost is fine. Certainly, there are different variables for different individuals. I mean, it depends on the amount of mortgage that one gets as to what the personal costs are. As for electricity rates being lower in Manitoba, that may well not be the case if we continue to acquire debt for the Crown-owned corporation, Manitoba Hydro. They may well have to increase rates, so I'm not so sure that we can make that comparable between telephone rates in

Saskatchewan and electricity rates in Manitoba at the present time.

But, going back to personal tax brackets, personal effective rates in Manitoba for the year 2007, the lowest tax bracket goes from zero to \$30,544 in Manitoba. That, in fact, is the lowest initial tax bracket of any of the four western Canadian provinces. British Columbia, for their initial tax bracket, is \$34,397. In Saskatchewan, it's \$38,405. Alberta, I don't even compare because it's got a flat tax rate.

The question I have is, we can earn in Manitoba less money at the lower rate before we go into a higher tax bracket. In Manitoba, the initial tax bracket is 10.90 percent and, I agree. In Saskatchewan, it's 11 percent, but they have a \$38,405 tax bracket for their initial income. Then, I'm going to get into things called basic personal exemption. Does the minister still feel that, even based on these schedules, we are competitive with Saskatchewan when it comes to personal taxation?

Mr. Selinger: The first thing I have to say is that our rate in that lower bracket is lower than Saskatchewan's.

An Honourable Member: 0.10 percent.

Mr. Selinger: But it's significant, and we've kept it lower than that.

The other thing I have to say is that, in Manitoba, the property taxes, a family of four, one-income earner would pay us a thousand dollars less than in Saskatchewan, by our own calculation. So we've made a significant contribution to reducing property taxes for homeowners, as well as for farmers, and that's very important. That's what Manitobans told us was their priority, and we've acted on that.

Mr. Borotsik: The minister is correct. It's one-tenth of one percent less in the effective tax rate, but there's \$8,405 additional in the brackets. So that's going to be eaten up by the 0.10 percent in the rate itself. If he also looks at the different rates, the next rate is 13 percent for the middle tax bracket. In the middle tax bracket in Manitoba, it goes up to \$65,000. In Saskatchewan, it goes up to \$71,000. There's a \$6,000 difference in the middle tax bracket, and the rates are the same, 13 percent in both categories.

Again, does the minister see that as being competitive? I know he's going to talk about property

taxes, but property taxes are a whole different area, depending on the municipality that you live in and depending upon what the mill rate is struck in that particular municipality, and services provided. So is that competitive in the minister's mind, a \$71,000 middle tax bracket, as opposed to a \$65,000?

Mr. Selinger: Once again, we'd make sure that Manitoba families are in the top three for affordability. We've already committed to reducing that rate, below 13 percent, so the rate will be lower than Saskatchewan. They've made moves on brackets. We've made moves on rates. They haven't made moves on property tax credits. We have made moves on property tax credits. For the homeowner or for the family, it's part of what comes out of their pocket in terms of disposable income. So it is relevant because it's part of the total cost of living in a province for these total services they get. The member needs to understand that. You can't sort of separate it out when you don't like it and put it in when you do.

Mr. Borotsik: The minister must also recognize that I've left this province three times and returned to this province three times because of any numbers of reasons—

An Honourable Member: Because we've got affordable cost of living.

Mr. Borotsik: No, it's because of different variables than that, I can assure the minister. But I would, certainly, like to keep more of my taxable income in my pocket, as opposed to sharing it with the Province of Manitoba. So there are other variables as to why Manitoba is certainly the place that I call home.

The last tax bracket—oh, by the way, Saskatchewan also has indicated that for the next tax year it will be reducing its effective rates as well. So the minister, if he wishes to bring down the middle tax rate of 13 percent, Saskatchewan's already indicated that they are also bringing down their middle tax rate of 13 percent.

I guess the real issue is the \$65,000-and-over bracket. Manitoba has the lowest of any of the four western Canadian provinces. In British Columbia, \$95,000 is the highest tax bracket; in Manitoba, it's \$65,000; in Saskatchewan, it's \$71,000; and, again, Alberta doesn't matter because they have a flat tax rate. I'd like to have the minister's comment with respect to flat tax eventually.

But then I go back to the point is that right now the tax brackets being at that level is one thing. The personal basic exemption is totally another thing. Manitoba has the smallest personal basic tax exemption of any of the four western Canadian provinces again. I know the minister's going to come back and say that we have the most affordable—we can bring in this whole basket of affordability here in Manitoba, but the fact is we're talking about personal income taxes. When I file my income tax, or all Manitobans file their income tax, and they compare what they're paying here in the province of Manitoba with what they would pay in other provinces, it is substantially higher here.

I'm sure the minister would agree with that comment that I just made. Maybe I should ask him. Would he agree with that comment that when we file our income taxes we pay more here in the province of Manitoba than they do in other jurisdictions?

Mr. Selinger: What I would say is that every province has a different mix of taxation policy to benefit their citizens. The member likes to compare to the provinces to the west of us. Their cost of living is substantially higher. Their property taxes are substantially higher. They have health premiums that we don't have. They have higher auto insurance rates. They have higher electricity rates. We try to put a mix of program elements and policies together to keep Manitoba the most affordable place to live in the country, at least in the top three.

The member started with a one-earner family of four earning \$40,000. We're the second-lowest when you put it all together, total personal costs and taxes, second-lowest cost of living jurisdiction in the country. That's a pretty good record. If you want to go to a \$60,000-income earner, well, actually—hold it, hold it, hold it. I may have been in error here. Actually, on the one-earner family of \$40,000, we are the lowest in Canada, lower than Saskatchewan when you put it all together. It's a one-earner family of \$60,000 where we're the second-lowest. So I misspoke myself, and I'm glad to have the opportunity to correct the record.

So, for low-income or modest-income families with one earner, the best place to live in the country is Manitoba, bar none. For a one-earner family of \$60,000, second-best place in the country to live. For a two-earner family of \$60,000, we're in No. 3 position, very close to No. 2 by a couple of hundred dollars. For a two-earner family of \$75,000, we're in

No. 3 position, when you look across the country, and very competitive.

My point is that we look at the total mix of policies, and we look at what we can do to relieve the affordability issues for people and allow Manitoba to be a place where people have a rising disposable income which has gone up 10 percent since we've come in office. When the previous government was in office, people's personal disposable income actually declined by about 10 percent. People's personal disposable income in some of the provinces to the west of us is actually declining, even though they have lower tax rates, because their costs are rising faster than their salaries. In Manitoba, salaries are rising faster than the cost of living. We have a good growth in salary increases in Manitoba. We started from a lower base, but we have good growth going on right now.

*(16:40)

Mr. Borotsik: If the minister would like to, I do have some other comparables, and if he's not happy with my comparisons between Manitoba and Saskatchewan, and I'm still staying with the tax brackets, in New Brunswick, the highest level of tax bracket is \$111,000, where in Manitoba it's \$65,000. Anything over \$65,000 in Manitoba, you pay 17.4 percent. In New Brunswick, anything over \$111,000, you pay 17.84 percent. In Nova Scotia, the rates are the same, but the top tax bracket is \$93,000.

I do appreciate the minister, what he's saying. If you want to take the whole basket of the cost of living, if we want to talk about food costs, if we want to talk about property taxes, if we want to talk about mortgage costs with respect to the housing costs, you can put any numbers of variables into that basket to make it look good. I am talking simply about taxation. When you file your tax records, when you put it in to the Province of Manitoba, we are paying more for taxes in this province than not only the three other western Canadian provinces but also other Canadian provinces including the Maritimes. We are the highest taxed, personally taxed, in Canada. If you want to bring the whole basket in, yes. I'm sure I can come up with a number of variables that would suggest that there're additional costs, either higher or lower, but, taxation alone, we are the highest taxed in western Canada at this point in time.

The minister is shaking his head. You dispute that comment.

Mr. Selinger: Yes, well, first of all, you started out by saying the highest taxes in Canada. I was disputing that comment.

An Honourable Member: No.

Mr. Selinger: Then you quickly corrected yourself. So if you want to correct yourself now, you can do that.

An Honourable Member: I did correct myself, Mr. Minister—

Mr. Selinger: The bottom line is this, if you take a look at New Brunswick, which was what the member compared us to, they actually just increased all their tax rates when the government changed. Because the previous government had done significant tax reductions on the eve of an election, and the new government came in and realized it was unsustainable and had to raise taxes. They did it very quickly so they could have a shooting chance of balancing their budget. That's the reality out there. Some of the pre-election promises don't actually materialize after the election.

But if you take a look at a two-earner family of \$75,000, our taxes are lower than Québec, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland. So we're lower than over half of the jurisdictions. Yes, some of the tax rates are lower in western Canada, and that's because their cost of living is accelerating so rapidly. They have some significant barriers out there to affordability, which is why we're seeing a return of many people from western provinces back to Manitoba. They're realizing that Manitoba is the place to be. Our interprovincial migration is actually reducing, and we're seeing more people come back to Manitoba.

We have good jobs here, we have rising salary rates, and we have an affordable cost of living. People take a look at the bottom line. They don't just cherry-pick one factor and look at that, exclusively. They look at the whole story. Young people, in particular, look at what they pay for auto insurance when they decide where they want to live, after they've got themselves an education and a decent job. But the first thing they look for is where they can get themselves a decent education and a decent job, and in Manitoba, unlike any of the western provinces, we have a \$2,500-a-year rebate on their tuition if they come and live and work in Manitoba. If you consider that as a tax reduction, that reduces income taxes for a young, single individual to the lowest rates in Canada.

Mr. Borotsik: I don't think we have any definite data as to what we can look at right now with respect to the success of that particular program of the \$2,500 a year. Again, I wish my children would come back to Manitoba. I can assure you that they won't be. They find the advantages of Alberta, unfortunately, more to their liking than what it is in Manitoba. That's not a negative. As I say, I find the lifestyle in this province certainly much better than other provinces, but, then again, I don't have the same requirements of the youth, that I used to have when I was younger.

The minister had mentioned the two-earner family of four of \$75,000. Going back to the tax rates, he did identify that there were some eastern Canadian provinces that were higher, but that same comparable two-earner family of four with \$75,000 income, Manitoba has taxes of \$4,420. In Saskatchewan, it's \$3,979. It's only \$500 difference. In British Columbia, it's \$2,059 for that same family, which is almost half of what the taxes are here in Manitoba.

Again, the minister can suggest in any numbers of fashions and put any numbers of variables together with respect to the cost of living. The fact of the matter is taxation here in the province of Manitoba is the highest in western Canada. It's my presumption that, in fact, taxation is a deterrent to having people not only stay in Manitoba, but come back to Manitoba, but he and I will obviously agree to disagree on that particular area.

I go back to my initial question: Is the minister prepared to look at the basic personal tax exemption as a start of reducing the personal taxes? Manitoba, currently, and I do know that it has increased for the 2008 tax year, but Manitoba, currently, has the lowest basic personal income tax exemption. That's a simple thing to look at. Alberta's, and, again, it's an unfair comparison, and I admit to it; it's \$15,000. For the first \$15,000 that my children earn in Alberta, it's not taxable, provincially. In Manitoba, it's \$7,834 for the 2007 tax year. Is the minister prepared to look at a simple thing like an increase in the basic personal tax exemption?

Mr. Selinger: We've increased it over the last couple of years on an incremental basis. If the member looks at page D-18 in the Budget '07, with our graduate credit and tuition rebate, the taxes for a single individual at \$50,000—single individual, a young, mobile, single individual—lowest in Canada. Is that a problem for the member? Lowest in Canada.

Mr. Chairperson: Honourable Member for Brandon West.

An Honourable Member: So, my point is—

Mr. Chairperson: Excuse me. Just a moment, just so I'm clear who has the floor here. Are you all right? Okay.

Mr. Selinger: I just wanted the member to reference that. As I've said before, every province designs their tax system in a different way. We've situated a young single individual of any age, for that matter, at \$50,000 who invests in themselves in a post-secondary education to have the lowest taxes in the country, and that's very significant. If the member believes that a locational decision that an individual makes is based on taxes, is the primary factor, Manitoba would have been the place to be after you finish your education. I don't think that's the only factor, but the member's arguing that. I'd just like him to recognize the Manitoba advantage.

Mr. Borotsik: Unfortunately, I can't accept that tax advantage. I can't accept that tax advantage. I look at the personal tax exemption; I look at individuals whom I know on a personal basis who file, and I do know that the provincial taxes in Manitoba are substantially higher than they are in other jurisdictions; it's as simple as that. When you have the brackets that we have, when you have the rates that we have, when you have the lowest personal tax exemption, basic personal tax exemption that we have, when you file your income taxes, they're higher here than they are in the four western Canadian provinces.

I go back to the minister. You did, and I give you credit, you did increase the basic personal tax exemption. Is there going to be continued increase in that basic personal tax exemption? I know we're not going to talk about budgets going into the future, but this is a policy issue. Are you going to be increasing those to come up to any kind of a situation where we can compete with the other four western Canadian provinces, based on that basic personal tax exemption?

Mr. Selinger: As I've said to the member, this is not the time or the place to be specific about how we'll keep Manitoba among the most affordable places in the country to live. But we will do that. That is our broad policy. The specifics of that will be unveiled at the appropriate time and place, usually in a budget in front of the Legislature, so, as much as I would like to, I can't give the member the answer he wishes at

this time. It would be completely out of the tradition of our way of governing in the province.

But I do point him to all the reductions we have made over the last several years. The most significant personal income tax reductions in the history of the province, the most significant business tax reductions in the history of the province. The member likes to compare to the west of us. He will probably note that a carbon tax has just been levied in Alberta. He will probably note that Alberta just has significant pressure to increase royalties in that province. He will know that the cost of living in that province is over 6 percent, 6.5 percent on an annual basis. He will recognize, in his own personal decisions, that Manitoba is the place to be when it comes to living.

* (16:50)

Mr. Borotsik: I moved back to Manitoba three times, as I indicated earlier, and I did so not because of the low taxes. Had I wished lower taxes, I would have gone to another tax regime, I can assure you, in another tax jurisdiction.

What I would like to do now, if I could, we don't have much time left, but I'd like to, if I could, pass a question to one of my colleagues.

Mr. David Faurchou (Portage la Prairie): I just want to pick up on the taxation on a personal basis and make reference to the Winnipeg Social Planning Council, which I know the minister is quite familiar with, and members on the government side of the House. They specifically focus in on the personal exemption and draw significant query as to why this government feels that persons who are only making less than \$8,000 have monies to spare to effectively pay income tax. It's a case that the feeling is that why should persons on minimum wage, that this government admittedly has increased, still below what is considered the poverty level—yet this government that says they have a social conscience believes that persons who are poverty stricken still have extra money in order to pay income tax.

I leave this with the government to consider, and also if one is looking at the case for returns of monies to Treasury, because persons who are in a low-income bracket, they tend to spend every dollar that they earn and receive. Ultimately, the government does get a piece of the pie, in that case. So it does spur on government. I leave it with the minister to consider, because I do believe that persons who are on minimum wage and in a poverty

bracket should not be paying income tax, regardless of other considerations, say property tax, but chances are those persons in poverty don't own property anyway.

But what I would like to move on to is—

An Honourable Member: Is there a question there, though?

Mr. Chairperson: The honourable Member for Portage la Prairie has the floor.

Mr. Faurchou: I asked that the minister would consider recognizing the need to move the personal exemption to a point in time where persons who are considered in poverty do not pay personal income tax.

Mr. Selinger: The member should know that we've taken over 20,000 people off the tax rolls with the changes we made in taxation, and those are mostly low-income people. The member should also know that we've raised the minimum wage. We're the only party in this Legislature that actually has a commitment to the minimum wage. There is no other political party here that has any commitment in any way, shape or form to raising the minimum wage. The member should also know that we've eliminated the clawback for low-income families on the National Child Benefit, which, when he was a member of the government, they made most low-income families ineligible to have that. So we've eliminated that clawback. The member should also know that we've increased the Shelter Benefit for low-income families. The member should also know that we've put a working income tax benefit in place for low-income families.

So we've taken many measures across the board that have tried to link income support and taxation to the ability for people to enter the labour market and earn a salary that would allow them to be more self-sufficient on a market income. We've redesigned the welfare system specifically to eliminate what used to be called the welfare wall that saw people lose income and benefits when they entered the labour market. That was very detrimental to the motivation of low-income people to take jobs. So we've made jobs more attractive by raising the minimum wage. We've reduced the barriers by redesigning the welfare system so benefits travel with individuals and families as they enter the workforce. We've supplemented income with working income tax benefits. We've lowered their income tax rates. We've increased their thresholds. A person on

minimum wage doesn't pay taxes in Manitoba, even though the minimum wage is a lot higher than it was when we came into office. It was \$5.75, it's now \$8.00, and you still don't pay taxes in Manitoba.

Mr. Faurshou: That last statement was in error: that persons that make \$8 an hour don't pay taxes. They do, indeed, and you wouldn't have had to implement the last minimum wage increase if, in fact, individuals had been garnered the \$10,000 personal exemption that was suggested by those advising the minister.

Now, just in query to the recent announcements that we've been discussing in another committee, that being Infrastructure and Government Services, in which the minister made all kinds of glowing remarks as to increased expenditures and infrastructure and transportation network here in the province. But, year in, year out, because of weather conditions, because of shortage of equipment or new tenders not coming in on time, there's a raft of reasons, millions upon millions of dollars of announced expenditures remain in the Treasury. They fall back because they are unallocated, unspent at the end of the year. Every jurisdiction that I know of has an opportunity for the department, if they're not able to spend the money, that capital budgeted monies is not lost. Why is it in Manitoba that, if we don't, if every department doesn't spend right down to the last nickel, it's lost to them? That's why we see in this province just an unbelievable spurt of spending near and about the end of March. Why is it not in good, prudent management of monies that you give departments the opportunity to carry over dollars in order to most cost-effectively expend those dollars? Because those are darn hard-earned tax dollars, and it's incumbent upon government to recognize that.

An Honourable Member: We can legislate weather in Gimli, he says, so let's hope it won't be a problem anymore.

Mr. Chairperson: Excuse me, the honourable minister has the floor.

Mr. Selinger: First of all, I don't think that the Member for Portage la Prairie was here when we discussed the GAAP treatment of capital a little earlier on in our meeting today, but we've had to go to an amortization approach and a debt financing approach for things like highways. There used to be cash paid when we first came into government, and we were required to amortize it and to set up the old assets on the books and depreciate them. That

squeezed our ability to do it through cash. So the reality is that we've moved forward the tendering process so that the contracts are let earlier to make sure that as much work can get done as possible in a season. So we tried to put a better planning process in place. We've announced a five-year rolling capital budget. We do the tenders early. We get them out there and, within the year, when the department sees that one project is blocked for whatever reasons, weather, other reasons, they can come back and ask to re-allocate to other projects. So we tried to work with the department and give them the initiative to find the most efficient allocation of their dollars to get as much infrastructure built in a year as possible.

Mr. Faurshou: Well, further to that argument though, yes, the department has worked extremely well in trying to accommodate the variables, but one thing is known, is that the Department of Transportation must hold back enough resources to accommodate the worst snowstorm and be able to deal with it, and every year we don't experience that type of call for snow removal and expenditure. So the department cannot spend right out because they have to keep in reserve for the worst weather conditions that could possibly be expected. So, when you budget like that, you're holding back these monies and, yes, snow is known to fall into May. So we have to keep back enough money. So I would suspect that, if it's not expended, then why does the department have to give it back to Treasury in this case?

Mr. Chairperson: The time being 5 o'clock, I am interrupting proceedings. The Committee of Supply will resume sitting tomorrow at 10 a.m.

COMPETITIVENESS, TRAINING AND TRADE

*(14:40)

Madam Chairperson (Bonnie Korzeniowski): This section of the Committee of Supply has been dealing with the Estimates of the Department of Competitiveness, Training and Trade.

Would the minister's staff please enter the Chamber.

We are on page 51 of the Estimates book. The section agreed to a global consideration of these Estimates. The floor is now open for questions.

Hon. Jim Rondeau (Minister of Competitiveness, Training and Trade): Madam Chair, I'd like to introduce the staff at the table to familiarize all

members with who's here. We have Craig Halwachs, who's the director of finance. We also have Diane Gray, who's the Deputy Minister of Federal-Provincial and International Relations, and Trade. We have Bob Dilay, who is the executive director of Manitoba Trade and Investment.

Mr. Larry Maguire (Arthur-Virden): Madam Chairperson, I want to welcome the Trade persons, as well, to the Estimates process with the minister. We'll have a number of questions. I appreciate the indulgence in regard to our timing that the minister and I were trying to get together yesterday. Because of some unforeseen circumstances that happened, we ended up with a number of questions in another area of his ministerial responsibilities. So I appreciate you being here today.

I just wanted to ask now, the minister, with his staff here as well, if he has any of the positions in his department that—all of the ones, I assumed, and the vacancies that he had pointed out the other day would have been total, or can he just let me know how many vacancies there might be in the Trade side of his department?

Mr. Rondeau: They were all included in the discussion the other day.

Mr. Maguire: Yes, can he indicate to me if there are other technical staff persons, political staff persons in his office in the trade side as well?

Mr. Rondeau: Madam Chairperson, we have one person who is an OIC appointment. That's Riva Harrison, whose job is the communications function in the international trade and relations secretariat.

Mr. Maguire: Madam Chairperson, when I asked the question on travel the other day, I'm assuming from the minister that all of the travel that he indicated to me was included in the—there's no overlap in this trade. It was all Competitiveness, Training and Trade that you talked about in travel the other day, that trip to Halifax and Asia?

Mr. Rondeau: Yes, the two missions that we talked about yesterday were the federal, provincial and territorial meeting. That was this fiscal year, and we'll provide last year's. So I mentioned the two trips that I did this year, but we'll provide last year's information.

Mr. Maguire: Yes, I thank the minister for that, and the staff as well, for giving that information. I know that the minister indicated that he would provide a number of documents to us the other day in regard to

staffing and vacancies and who was in those positions last and where they were, so I appreciate that.

Can he give me any indication—I know we were trying to get it before we finished Estimates today, but can he indicate if I can get that early next week or tomorrow or—?

Mr. Rondeau: We're endeavouring to compile all the information that the member requested. We're trying to get it together, and we'll get it to you soon. It is an extensive list. We have to go throughout the different departments to get it and make sure, and we're trying to compile it, like we said, with the names, the positions, the vacancies and all that. So we're trying to put it all together. The difficulty is we have the director of finance sitting here in Estimates, and he's basically the person who's going to be responsible for putting a lot of this material together.

Mr. Maguire: Madam Chairperson, I know in regard to the number of areas of trade, I just wonder if the minister can provide me with insights of upcoming meetings that he might be attending in regard to the trade, not only interprovincially here or conferences that the federal government would have in discussions. Is there anything that he has in the foreseeable future?

* (14:50)

Mr. Rondeau: I can inform the honourable member that the internal trade file has been very actively pursued by our government and others. The Council of the Federation has said that this is a major concern, this is a major direction, that they want to break down provincial trade barriers and barriers to internal issues.

Our Premier, Premier Doer, with Premier Graham from New Brunswick, are co-chairs in this initiative. So, although nothing has been scheduled yet, the Council of the Federation has given its intention that this file will move forward expeditiously. I assume that there will be either some sort of meeting, or conference call, or some way of pushing this file forward yet. That's the long way of saying that nothing is scheduled but we're anticipating something moving forward on this file soon.

Mr. Maguire: Can the minister bring me up to date in regard to the General Agreement on Tariffs and Trade meetings that were just held in July and Manitoba's position in regard to, or discussions that they may have had? I know the minister wasn't there,

to be fair, prior to some of those things happening, but if he could bring us up to speed in regard to their interface with the Canadian delegation.

Mr. Rondeau: Can I get some clarification, Madam Chair, whether it's WTO or internal trade within the country that the honourable member is inquiring about?

Mr. Maguire: Glad to, yes. First of all, I know that the Canadian government will have had, or should at least have had discussions with the provinces in regard to their positions. I know Minister Wowchuk in Agriculture has taken some of those forward. I'm sure that others, in Science, Technology, will have as well; in mines. There would be a number of areas. The World Trade Organization, of course, dealing with intellectual properties in agriculture, has been a big part of those trade talks in the last while.

I just wondered if the minister could, first of all, tell us what consensus, if, and I'm sure there was some consensus in regard to the trade forums, basically, and just in the basic overall positions of the Manitoba government in relation to the discussions with Canada.

Mr. Rondeau: Trade is basically a federal issue. What happens is the federal government may have input from the different provinces and may ask for their opinions, their ideas on world trade. However, the federal government doesn't have to reach consensus with all the provinces in order to move forward on what they believe is the best for the country.

I know that the Province has put forward some positions, but what we've done is we've put forward positions throughout the trade policy. We put those forward, but it's basically in the purview of the federal government what happens on external trade.

The one thing that we have done provincially is we believe that internal trade has a number of barriers. I'm pleased that our government, under the leadership of Premier Doer, is working very, very hard to try to settle the internal trade issues.

When I got this portfolio, I was actually surprised at how many issues had been outstanding, and for how long, et cetera. So, under the Premier's direction, we have started to move to see what we can do on internal trade barriers. I think that it's important to note that, although we trade throughout the world, we have a lot of trade in Canada, and I think it's incumbent on all provinces to try to drop internal trade barriers.

Mr. Maguire: I just concur that I would certainly back the minister up on that. I believe reducing interprovincial trade barriers has got to be a priority in regard to the future trade not only within Canada but certainly within North America.

I know from a study that Mr. Arthur Mauro was the head of back in, I believe it was in the late '80s, early '90s—there was a study that came forward in the '90s, I believe, that he had chaired, a well-respected individual from the city of Winnipeg, in the province of Manitoba. He chaired that Canadian position in regard to interprovincial trade barriers across provincial boundaries just on agriculture alone. There were some 143 still outstanding at that time some 10 years ago, and I'm told by my colleagues in the agricultural industry that there are still a great many there today. So I would encourage anything we can do as a province to try to minimize, if you will—I know there'll always be some differences because of our regional vastness in Canada—but wherever possible to minimize those trade barriers.

I wonder if the minister can indicate to me what he feels are the strongest one or two points that they could do in that regard from the province of Manitoba and what his priorities would be if he had the opportunity to bring those into being.

Mr. Rondeau: The agreement on internal trade is very complex and I'm very pleased to know that the critic has an interest in this because I think it's where we can agree with a lot of governments where we have to make movements.

The agreement on internal trade is very, very narrow on Ag. It doesn't include an energy chapter, so we have to look at what the internal trade encompasses first and make sure that it is encompassing as much as possible. But I think the key into rectifying these long-term, long-standing disputes and issues is that we need a dispute mechanism where what happens is you could have a panel ruling now—and one, I was surprised, is decades old. There's a ruling that says you have to comply, but there are no consequences if you don't comply.

So there are jurisdictions that have been ruled upon where they have said that you've broken the agreement on internal trade, you should change, and they've been ignored. So I think the next step would be that we need to look at a dispute mechanism so that, when jurisdictions have a judgment, they actually have to do something to follow the judgment or there are penalties or some sort of ramifications if

you don't follow the judgment. I was actually surprised when I got this file on how many judgments were made, and then the government ignores the judgments because there are no consequences for ignoring them.

I think that the key would be following the ministers of the federation, the premiers, following their leads, expanding this whole agreement and coming up with a dispute mechanism or consequences.

* (15:00)

Mr. Maguire: I think that's certainly a similar jurisdictional issue as to what the World Trade Organization is looking at as well, trying to find out where they can fit into that.

Does the minister agree with the Canadian position that was taken forward to the World Trade Organization at the latest round of talks? I'll qualify that, Madam Chair, by saying that there may be some issues where there's indifference, and if he wishes to point those out to me, that's fine. But, in the overall scheme, I would assume that Manitoba was on side with the majority, if not all, of the positions taken in the World Trade talks, the meetings just finished.

Mr. Rondeau: Madam Chair, we just had a discussion of whether some information was in the public realm or not. Basically, we agree with the WTO position from the Canadian government. However, there's been consensus among the western provinces that we could go further on ag, and that's been out in the public. That's where the Province of Manitoba stands. So, again, supporting the federal position, but also ag isn't as broad as it could be.

Mr. Maguire: Yes, I thank the minister for that. Did I hear him say correctly in his previous answer that in his Competitiveness, Training and Trade, particularly on the Trade side here, that he doesn't deal with energy? There's no energy chapter in here? Is that what he meant by that?

Mr. Rondeau: The energy chapter is not in the agreement on internal trade at this time; however, 12 of the 13 governments have signed on. We're just working through how we can move forward in the future. So I think the Council of the Federation has said that they wanted to broaden the agreement on internal trade. Different groups of ministers have been tasked with moving forward in different sectors. One of the areas that was tasked to move forward in was the energy sector, and so in my

energy hat, which is not in these, that would have been the task.

Mr. Maguire: Yes. Can the minister indicate to me which province or territory hasn't signed on?

Mr. Rondeau: Yes, I can. I found out it was again public knowledge. Newfoundland and Labrador have not signed on.

Mr. Maguire: Madam Chair, I would certainly have fallen over if you had said Manitoba, so I will be throwing a few odd questions in like this just once in a while, because there's so much to cover here in such a short time. I want to try and get it covered if we can. So I thank you for that.

Another one of those would go back to the staffing chart that you have in the book on page 4. There's the Federal-Provincial and International Relations box in that flowchart, and I see a vacancy in that. I wonder if the minister can tell me how long that's been vacant.

Mr. Rondeau: I understand that's a division which is including federal-provincial regulations, Canada-U.S. relations branch and protocol and international education, four branches within the department.

An Honourable Member: Could you get that from the—

Mr. Rondeau: The person who actually stated it, or did you need me to repeat it?

Mr. Maguire: I think it'll be clearly picked up by *Hansard*.

I appreciate the minister repeating those, and I appreciate the support that he's getting. Pardon me, I noted, as well, on the other side there was a vacancy noted right in the block on that page; there isn't here. It's a department then, within. How many persons, then, would in total work in that area?

Mr. Rondeau: On page 12 of the Estimates under the section on Federal-Provincial and International Relations and Trade, it's broken down on section 10-5A. There's a total of 16.6 people, and so that breaks down there. That's all the four different departments, or branches, sorry.

Mr. Maguire: I know that energy is a big—you know, it's one of the bigger items that we have in the province to deal with in regard to our trade positions. I know from being involved in the mid-west forum, as well as the legislative forum, as well as the forum with our neighbouring states to the south, which started out as the International Flood Mitigation

Initiative back in '99 and has moved into a further discussion of areas of tourism, energy, transmission lines and whole host of those areas. Can the minister indicate to me what interface he would have? Of course, he's Science, Energy and Mines Minister as well. But I know, I believe, he can correct me if I'm wrong, does he or is it the Minister of Finance (Mr. Selinger) that's in charge of Hydro?

Mr. Rondeau: The Minister of Finance has the Hydro board and Hydro. I look after the policy sections like the Energy Development Initiative, et cetera. But that's in the science and technology half, the other set of Estimates. Right now, we're having a little bit of a discussion whether it's 16.6 or 17 full-time equivalents for the department. There isn't 0.6; it's 17 full-time equivalents. We found the extra 0.4 somewhere.

Mr. Daryl Reid, Acting Chairperson, in the Chair

Mr. Maguire: I haven't looked that up again, Madam, or Mr. Acting Chair, sorry, with the change. Can you just give me the page number again for the 17 persons that you had full-time equivalent?

Mr. Rondeau: We have it on page 67. It starts off on the Federal-Provincial and International Relations. It goes through it, and it actually breaks it down by Managerial. I guess each of these areas, there are three managers, there are some 12 Professional/Technical, two Administrative Support, for a total of 17.

* (15:10)

Mr. Maguire: I wonder if you could just give me a breakdown of what international education, how much work you do in that area.

You've got an increase in the number of international learners, it says, in the expected results of the department. Can you indicate to me—I know that that, I think, is an important area given the need to interface with the rest of the world. I know from being in my own local area most of my life, sometimes as citizens we end up dealing with—unless we're involved in the manufacture or export of those goods directly, which a lot of farmers are involved in the primary production on the agriculture side, and you've pointed out the importance of agriculture, but a lot of other areas, just to understand the importance of the trade to the end use of their products. Can he indicate to me what efforts are put forward and how much energy is expended in that area?

Mr. Rondeau: I, also, am very interested, Mr. Acting Chair, in this whole area, because I think having foreign students here is very, very good for the economy, because a lot of people can stay through the provincial immigration program. It also allows us a broadening of our economy. It was amazing when I got into this portfolio to see the spin-off benefits of people coming here to university, or college, or getting educated here. This area, I think, is very important.

The international student programs, they provide a range of educational promotion, opportunities, and support services for international students. There are international education projects and contracts, and that's trying to get educational partnerships and contracts overseas. There's the offshore education international collaborations, which can either be done directly or by authorized partners to deliver programs abroad. There's the international mobility of students, teachers, faculty and other educational staff, internationalization of teaching and learning programs, and just certain things they've done, MOUs with China. There's an off-campus work program that's been launched just recently. There are all sorts of things, an international education strategy to keep growing this. There's the electronic notification of students, so that things work better.

Just to let the entire House know how successful it is, Manitoba has about 4,815 students, give or take a few, and there's a direct contribution to the economy of about \$55 million per year. Again, I think it's a good area where we're getting a lot of positive comments and a lot of good growth. When we're talking about finding students or growing our population, a lot of these students do sign up. Although I don't have the numbers in front of me, they do sign up for the provincial immigration program to stay here once they graduate.

Mr. Maguire: I appreciate the emphasis put on that area, because, of course, it's certainly a benefit, I think, in the long run to expose other areas of the world to Manitoba, and, by bringing them in, it would be a helpful process.

There are a number of direct trade issues that I wanted to talk to the minister about and just see if we could, in the time that's left, touch on a few of them. One of them would be the opportunity that I've had, of course, living in the southwest corner of the province. I'm not at the south end of 75 highway at Emerson, which is one of our largest trade export ports in Manitoba. I know that the border crossing

south of Boissevain and the Peace Garden border crossing there are growing in the amount of trade that goes across.

One of the things that's happened most recently is the changing of the status in regard to livestock coming up that will move into the United States. They have opened up, or at least gone into the opportunity of all of our cattle industry being able to move across the border, if they are born after, I believe it's May or March 1 of 1999, and that, tentatively, after their 60-day hearings or public announcements of those in the States that they have to go through, will come into being.

Having already seen the amount of cattle trailers and livestock trailers that are still waiting at our borders to get across, lineups in the neighbourhood of four, five, six hours for many of these trucks to get across, and having seen it myself—a prime example of that was on 9/11. While most of us, including the Premier (Mr. Doer), were at the Peace Garden for the 9/11 ceremonies commemorating the disasters of New York and the world at that time, the lineup of trucks that day was tremendous at the Peace Garden border crossing. I know from being recently driving to the Midwest Conference in Michigan in August that it's similar, the one here at Emerson.

I know that it's related to the backup of having to inspect these loads of livestock as each truck individually goes across. Some of them have to be totally unloaded and inspected and reloaded, so I wonder if the minister can indicate to me what, if any, processes he would look at helping put in place in that regard to speed that up, I guess, the process because, if we were able to do that, it would certainly enhance the trade, never mind the quality of the product that's going across the border.

Mr. Rondeau: Mr. Acting Chair, borders and external trade are a federal responsibility. We have encouraged investments. We're working to try to enhance the transportation network through other departments, et cetera, but since 9/11 there have been greater security concerns. On the movement of traffic, as a government we're trying to work with the federal government to make sure that we can do what we can to encourage the movement of goods, but the borders are a federal responsibility. It has to do with international relationships. So, although we can encourage the federal government, we don't have direct control. So we might be able to work with Infrastructure and highways in certain ways to help the infrastructure, but we can just encourage the

federal government and the U.S. government to hopefully work to make it easier, and they might be able to incorporate more technology or whatever, but our role is to, sort of, help move them in the direction and help facilitate if we can, but it's their responsibility.

Mr. Maguire: I know that, certainly, the Canada Revenue Agency is responsible for the border inspections and looking at the number of those areas, but in regard to enhancing Manitoba's trade, can the minister indicate what discussions he will have had, and I appreciate his position, but what discussion he has had since he came into this position in regard to a discussion about these issues with his federal counterparts?

* (15:20)

Mr. Rondeau: This is a very complex file, Mr. Acting Chair. I understand that Minister Lemieux with the Infrastructure and Transportation file is trying to move forward with some of these issues and bring the concerns up. The Premier (Mr. Doer) is working on the Western Hemisphere Travel Initiative, and we're trying to raise and advocate for the free flow of trade, and trying to work on new initiatives, I understand, that will enhance movement of goods.

The Trade department within this ministry, what we're trying to do is get Manitoba companies to look at export opportunities where they can take their goods and services into other markets. Instead of looking at that specific in this department, what we do is that we work with existing manufacturers and say: How can you sell your good and service abroad? How can you enhance your sales? How can you find niche markets? How can you get into the export business? So the Trade department has been looking at it a little differently than the cross border because that's more of a federal, Canada-U.S. Homeland Security issue. What we've been doing is we've been looking at working with the companies and saying, how can you produce more? How can you compete more, et cetera?

The borders fall under the Canadian Border security agency. It's not international trade. The Trade file here is not looking at the border crossing or the security issues. What we do is we work with companies to say, how can you export your good or service? What are the potential markets? How can you enhance those markets? How can you enter those markets, and sort of provide that type of

support. It's more like that, not the security issues at the border, from this department.

Mr. Maguire: The situation is, of course, some of it is a result of 9/11. Things have certainly got tighter, but the one that I was referring to was mainly because of the BSE issue in regard to cattle itself. Of course, that is now four-plus years behind us, and so the rulings that the U.S. government have posted now through their Department of Agriculture, USDA, is to try to open that again.

I respect the minister's view that you need to enhance all companies of widgets or whatever to move those and export them into another area, into any other jurisdiction, not only internationally, but interprovincially as well.

I guess my question is more at the issue of surely the minister is negotiating with other provinces and with his federal counterparts continuously to try to emphasize to them the importance of what he's saying in regard to enhancing what we are already moving and getting it moving better. I understand that his department wants to try and find more people to export new items, and I concur with that. I would try to do the same thing, but I think we need to look at the overall picture and say, as he pointed out in my opening question of the day, the importance of breaking down interprovincial trade barriers. These are basically trade barriers internationally, and yet we are still within a North American jurisdiction.

I just bring that to him because, of course, his Deputy Premier (Ms. Wowchuk), Member for the Interlake (Mr. Nevakshonoff) as well, have been at some of the meetings that we've had with the states of Minnesota, North Dakota, South Dakota to the south of us in those spring meetings that we have every year. These types of circumstances are ones that we can agree on between states and neighbouring province.

I wonder if he can just tell me how he would go about enhancing that. I just wondered if the minister could indicate to me how he's going about enhancing the trade that's already going in regard to our three-state area to the south that we meet with through these other meetings that his Deputy Premier's at on a regular basis. As well, I know the Member for Morris (Mrs. Taillieu) and the Member for Swan River (Ms. Wowchuk) are the kind of co-chairs from the Manitoba team on that.

Certainly, the agricultural side of it is one that most of the state people—Democrats or Republicans,

it hasn't been a party issue in those states—all agree that we have safe food products, and we need to do what we can to move those back and forth across the borders as efficiently as we can.

Madam Chairperson in the Chair

Mr. Rondeau: We work with all our trade partners to continue to look at market opportunities. That would be what we do internally and see. Now, what we do is we also have a program which is called the "border buster" initiative. What we do is we get a bunch of new exporters and people from the different companies and we go on a bus to the states immediately south of us to see what opportunities they can do, to see how the border crossing works and get people to know the system. What we also do is we continue to work throughout the government, whether it's in Infrastructure and Transportation, if it's in international relations, if it's working with the federal government, to see how we can continue the flow of goods and services to our neighbours and out.

Most people don't realize how much we export. But if you take everything in the goods and services, the materials and supplies, it's a huge percentage of our GDP. We were just discussing whether it was in excess of 75 percent if you count energy and everything. So it's a huge percentage of our GDP, and what we want to do is make sure that we can try to work with people to get it done.

Now, the interesting part about this whole trade is it's not in just the Trade ministry, it's in Ag, it's in Infrastructure, and it's in relationships with the federal government. So it's a big, big comment. The way we've been doing it is we're working with the multiple people to move forward in as many ways as we can. We'll continue to do that throughout government to make sure that this initiative moves forward and that we can continue to be a very good trading nation and province.

Mr. Maguire: It's my understanding, Madam Chair, that the minister has a Manitoba Trade office in Ottawa. Can he confirm that?

Mr. Rondeau: Madam Chair, I learned something just now. Apparently, there's an office in Ottawa. It was set up under the former Filmon government in the early 1990s after the CF-18 issue where we lost the contract. Apparently, it was set up with one staff member. What I found out was not only is it cost-effective, because we have shared offices with New Brunswick, and we even share the administrative

staff. So this is a cost-effective thing, and we've maintained it from the Filmon government time because we believe that it's important to have a rep in Ottawa.

* (15:30)

Mr. Maguire: This one's too good to leave alone. Is the consultant still Jimmy Stewart?

Mr. Rondeau: Yes.

Mr. Maguire: Thank you. Just one follow-up question to that. Can the minister just indicate the split administration in that then? We have one person plus the shared administrator. Can he just provide me with a quick answer on what the role would be and how often he has the opportunity to meet with them?

Mr. Rondeau: It's on page 70, 71. You'll see there a description of the Ottawa office, what it does. On page 71, it talks about the managerial, that's Mr. Stewart, and then the administrative support. Then you can see there the whole appropriation. Basically, it'll talk about what it's actually supposed to do on page 70. So it's talking about the liaison with federal officials, tourism information, the relationships with the different provincial and territorial offices, and special support for our trade or initiatives.

Basically, I think the Filmon government put this person in, maintained it when the Conservatives were in power, and we've seen fit to continue that practice.

Mr. Maguire: I wanted to ask the minister, in relation to the interprovincial/international relations estimates, I know he indicated earlier there are 17 persons working in that area, can he indicate to me what the grants would be? The 120,000 in grants, is that for students coming into the province, or can he indicate to me what that figure would be used for?

Mr. Rondeau: It's the Manitoba membership fee for the Council of the Federation. That's where the different premiers meet and discuss national issues.

Mr. Maguire: So this is for the minister's travel and that sort of thing to that, or is it the Premier's?

Mr. Rondeau: That membership fee is the administrative cost of hosting the meetings of Council of the Federation. There's a small support staff to organize and co-ordinate that, and I understand that the membership fee is assessed on a per-capita basis.

Mr. Maguire: Then the transportation costs in there of \$266,000, can he describe what that would be for?

Mr. Rondeau: Basically, what this would be is the travelling to the federal-provincial meetings for officials. It would be if people have to go to Washington to do something with the U.S. or different embassies. An example was when the member asked about what the international education department did. They signed an MOU with China. So what you're trying to do in this general area is you're trying to set up good positive relationships. You're trying to work with different groups to solve issues or move things forward, and so this travel would be involved in building relationships and moving forward agendas that would benefit people in Manitoba, whether it's the international education group or the different groups there.

Mr. Maguire: Madam Chair, I have a question in regard to trade and agricultural commodities here. Well, first of all, I know the minister's indicated that energy is something that they keep in touch with, but not a daily part of his ministerial responsibilities. In the meetings that we've had the opportunity to be in, in neighbouring states to the south, transmission of hydro or of electricity of any kind becomes a major issue. Can he indicate to me the extent that his ministry is involved with any of the discussions around transmission of power and that sort of thing?

Mr. Rondeau: Madam Chair, this department wouldn't be involved in the negotiations of contracts or transmission or things like that. What this department would do is in the case of the Minnesota legislation when there was recent legislation, what they would do is discuss with the governor's office about Manitoba's position and build relationships and have meetings with them to make sure that when the Premier met with the governor that there would be an exchange of ideas and concepts so that Manitoba's position would be carried forward.

Mr. Maguire: Madam Chair, I know that the minister might be more involved in industry, science, and mines on that side of things, as well, but in his other role for sure as well, but I know there'll be others asking some questions on that.

I know he has \$130,000 in here for communications and that sort of thing on page 67 as well for international relations, that sort of thing, and that's just one portion of his department. Because the whole area of Trade is so integral to the other title in his department of Competitiveness and making Manitoba competitive, as well as Training, can he, therefore, indicate to me whether or not what percentage, maybe it's all of it, of the discussions,

background work, preparation for trade meetings and that sort of thing is done through his department, or is there ever any of it contracted out?

Mr. Rondeau: I understand from the department it's all done internally.

Mr. Maguire: Yes, Madam Chair. I just wondered if at some point there might have been, you know, a specific issue around a trade area that they might have wanted a specific consultant to come in on, that sort of thing, but I appreciate that it is all done internally.

* (15:40)

Mr. Rondeau: We didn't hire any outside consultants. We have a gentleman, Allan Barber, who's very good at this and so we usually rely on him. So now I've put his name in *Hansard*.

Mr. Maguire: There is a particular difference in farm input costs on both sides of the border at the present time. I'm sure the minister has been briefed on this as well. Some of the fuel prices are fairly close on some of the issues if, of course, you call 87 cents a litre close for some of those areas. But the big difference comes in the area of fertilizer pricing and with 46.00 as of 10 days ago or so being, you know, 30 percent lower across the line in North Dakota than our Manitoba counterparts, and it's probably—well I know it's not probably—I know that some of that fertilizer's made in Canada. I do know in relation to anhydrous ammonia, particularly, that some of it is made in Brandon, goes to North Dakota and our American neighbours are utilizing this product as well. You can be assured that my farmers are the farmers that I represent and the rest of us in any of the farming communities in Manitoba are very aware of the fact that anhydrous ammonia in Canada is about 63 percent more expensive than it is across the line.

So it's not all about the Wheat Board and Canadian grain sales and the marketing and free market and the open market versus the monopoly, Mr. Minister, in regard to farm survival. It's a great deal to do with the whole pricing of some of these inputs that the farmers have to use, or feel they have to use and are using for the majority at least, anyway.

With prices here, and I've got in front of me a price for anhydrous ammonia in Manitoba of \$852 back on September 21 of this fall, and I know that that's low. From the many farmers that I've talked to, some of them added another \$100 onto that. They are being told that it could be as high as \$1,000 a tonne

next spring. These are metric tonnes, by the way that we're talking about. In North Dakota, those prices are over \$300 a tonne lower and in the neighbourhood of 63 percent lower.

So I wonder if the minister can indicate to me if they have any—there's a tax on natural gas as it comes into the province of Manitoba for the production of anhydrous ammonia in particular, and I wonder if he can enlighten me in regard to any changes that they might look at and anything to do with making these inputs more competitive.

Mr. Rondeau: As I believe that would be in Finance Minister's (Mr. Selinger) purview because it would be a question on finance or tax reductions, I'll leave that to them. As far as the policy initiative, as far as anything with agriculture, food and all this, I believe that the Ag Minister (Ms. Wowchuk) can deal with the policy on where we're going on different things in the Ag industry. She is a strong advocate.

The one thing that we're trying to do in Trade is to see that people can try to enhance value-added, niche markets, marketing. A lot of what we do is not actually do the price. We do opportunities for our own companies to get into different markets in this department, not do the finance or the tax policies. We just try to encourage people to export more, to look at opportunities, and that's what more the Trade department does in this area.

Mr. Maguire: The one area, locally, that I want to ask the minister a few final questions on that is Clean Country Resources. I know that he's met with the people in that ethanol plant back in the spring, and I guess to be competitive for these particular individuals, they need to look at some of the areas of trade there. I know that the minister is very aware of the differences in pricing between the U.S. and Canada on that as well.

From a competitiveness perspective, has he looked at the American subsidies on some of their ethanol plants and the fact that some of them have recently changed in regard to what might be required in Manitoba, or can he provide any recent details of the plant and the contract that they have with Husky for the plant at Minnedosa and the continuing of the production subsidies there?

Mr. Rondeau: I've been informed by my staff I'd better answer that in my other ministry, in Science, Technology, Energy and Mines, because we have discussed those issues with the company with that hat, and just like I have to watch what I do in

Estimates to make sure that we do the appropriate questions and answers in the right ministry. As far as trade issue it wouldn't be a trade issue; it's more of what's happening in the energy file of Science, Technology, Energy and Mines.

Mr. Maguire: See you next week.

Just before I close, I'd just like to say how much our side of the House appreciates the work that the Trade Department has done. The Trade persons in the Trade Department, I'd like the staff that are here today to take that message back to all of the members of the staff throughout the department as well as—I know we don't have Deputy Minister Eliasson here today, but I would like to extend the same wishes to them for the work that they do to try and provide the information in these Estimates that we've been asking for, and I look forward to the material that we've asked for, the minister has indicated in the last day and a half that we could get. I'd appreciate getting that in a timely manner.

I have many, many questions that I could ask around some of the other areas that we were at yesterday. I never got to ENSIS at all and the other labour-sponsored funds in Manitoba and some of those areas. But I think with that, because of the time constraints, I'm prepared to move forward with the passing of the Estimates, Madam Chair.

Mr. Rondeau: I would also like to compliment the staff, who in many cases have served both governments as civil servants very, very well, and I've had the privilege of working with some of these people twice as Industry Minister and CTT, and I really do appreciate their professionalism, and I agree with the opposition critic.

Madam Chairperson: Is the committee ready to deal with the resolutions?

Resolution 10.2: RESOLVED that there be granted to Her Majesty a sum not exceeding \$13,352,900 for Competitiveness, Training and Trade, Business Services, for the fiscal year ending the 31st day of March, 2008.

Resolution agreed to.

Resolution 10.3: RESOLVED that there be granted to Her Majesty a sum not exceeding \$83,467,900 for Competitiveness, Training and Trade, Training and Continuing Education, for the fiscal year ending the 31st day of March, 2008.

Resolution agreed to.

Resolution 10.4: RESOLVED that there be granted to Her Majesty a sum not exceeding \$1,907,200 for Competitiveness, Training and Trade, Community and Economic Development, for the fiscal year ending the 31st day of March, 2008.

Resolution agreed to.

Resolution 10.5: RESOLVED that there be granted to Her Majesty a sum not exceeding \$5,016,200 for Competitiveness, Training and Trade, Trade and Federal-Provincial and International Relations, for the fiscal year ending the 31st day of March, 2008.

Resolution agreed to.

Resolution 10.6: RESOLVED that there be granted to Her Majesty a sum not exceeding \$1,188,300 for Competitiveness, Training and Trade, Costs Related to Capital Assets for the fiscal year ending the 31st day of March, 2008.

Resolution agreed to.

Resolution 10.1: RESOLVED that there be granted to Her Majesty a sum not exceeding \$2,263,200 for Competitiveness, Training and Trade, Administration and Finance for the fiscal year ending the 31st day of March, 2008.

Resolution agreed to.

[A resolution correcting the dollar amount of Resolution 10:1 was passed on October 5, 2007.]

Resolution 10.1: RESOLVED that there be granted to Her Majesty a sum not exceeding \$4,263,200 for Competitiveness, Training and Trade, Administration and Finance for the fiscal year ending March 31, 2008.

* (15:50)

This concludes the Estimates for this department.

The next set of Estimates that will be considered by this section of the committee are the Estimates of Labour and Immigration.

Shall we recess briefly to allow the minister and critic the opportunity to prepare for the commencement of the next set of Estimates.
[Agreed]

The committee recessed at 3:51 p.m.

The committee resumed at 3:57 p.m.

LABOUR AND IMMIGRATION

Madam Chairperson (Bonnie Korzeniowski): Will the Committee of Supply please come to order. This section of the Committee of Supply will be considering the Estimates of the Department of Labour and Immigration.

Does the honourable minister have an opening statement?

Hon. Nancy Allan (Minister of Labour and Immigration): I do.

I'd just like to say how pleased I am to have this opportunity to talk about a very exciting portfolio, the Department of Labour and Immigration, Multiculturalism, Workers Comp and Status of Women. I'd like to congratulate the MLA for Morris (Mrs. Taillieu) for her recent re-election and I'd like to welcome her to the critic area of Labour and Immigration.

I think that we've really done a lot of good work here in Manitoba in regard to certainly the Labour file, as well as the Immigration file. I've really spent quite a bit of time working with the employer community as well as the labour community in regard to some of the legislation that we've done. I think it's quite evident from the eight pieces of unanimous labour legislation that we've passed here in the House that that is evidence of a good working relationship with the stakeholders.

I think also it's very, very exciting to talk about some of the work that we have done around the Employment Standards Code, Workplace Safety and Health, the WCB legislation, pension legislation. I think a lot of really good work has been done and we want to continue in that vein, working with all of our stakeholders so that we can have harmonious labour relations here in Manitoba. I think that's important to our province, important to our employers, important to our workers and important to our economy.

Some of the highlights of our budget: You will notice in the Estimates document that we have a total increase in our budget over last year's Adjusted Vote of almost 31 percent, almost \$11 million. The bulk of that increase, 88.9 percent of it reflects the transfer of federal funding for immigration services and for the Labour Market Strategy for immigrants.

* (16:00)

In the last year and a half our funding for our immigration file has almost doubled; it's gone from \$8 million to \$17 million in a year and a half. Most

of that money is money that is spent on our settlement services strategy and put into programs and services so that our newcomers can participate in our economy and participate in our society. I just want to say, thank you, to the federal government, the ministers that I've had the opportunity to work with. I worked with the federal Minister Monte Solberg and he was absolutely spectacular. I actually am looking forward to working with him on the HRSDC file. He's going to be in town, I understand, in a few weeks and we're going to have another opportunity to work with him again.

I'd like to talk a little bit, as well, about the increase in our staff positions. We have increased our staff positions. Our Workplace Safety and Health position is seeing another four FTEs this year. Our Employment Standards division is seeing three FTEs, and those particular FTEs are being relocated from the department. I just want to go back to the four FTEs for Workplace Safety and Health. Those are Workplace Safety and Health officers so that we can continue do inspections and reduce injuries here in Manitoba and one FTE for the Multiculturalism Secretariat, and I'll talk about that particular piece later.

The department has also hired seven people on a term basis and that's to assist us in our Immigration division, so that we can meet the challenges of growing our Provincial Nominee Program and getting more people into the province and providing them with the supports that they need, so that they can live in our neighbourhoods, work in our neighbourhoods, their children can go to school, and they can fully participate in Manitoba communities.

We also intend to hire an additional five people on term this year to help us with our immigration strategy.

In the Employment Standards division, it's been really exciting to have the Employment Standards Code legislation pass. That was a review that was the first review in 30 years, and the department has been very, very busy because a lot of those changes had to be communicated to the employer stakeholders in regard to what those rules were and a lot of the work has been done in that area.

The other area where a lot of work has been done is around The Construction Industry Wages Act. The Construction Industry Wages Act regulates the wage schedules for all of the skilled tradespeople in Manitoba, and we worked with the stakeholders and received unanimous recommendations in regard

to new wage schedules for many of our skilled workers. So we have done a lot of work in that area to improve enforcement and work with workers and employers across the province. We've also revamped our Web site and our brochures.

As I talked about earlier, the Workplace Safety and Health division is receiving four new FTEs, and they will be dedicated to improving inspection and enforcement activities. Also, we passed our Workplace Safety and Health regulations and those regulations, we consulted with the employer stakeholders for almost three years. I know that sounds like a long time, but they are very technical in nature and we really wanted there to be a good understanding and some clarity around those regulations, and the work around them is going very, very well. We believe that they are another tool for reducing our injury rate here in Manitoba.

The Immigration and Multiculturalism division is a very exciting division and a lot of work is being done on the immigration file. We've had an increase of almost \$10,000, or 61 percent, for the Immigration branch and an increase of \$162,000, or 33.5 percent for the Multiculturalism Secretariat. The Immigration branch allocation includes an increase of \$8,217,000 for settlement activities primarily through contribution agreements with more than 120 service providers for settlement and adult EAL services throughout Manitoba. That includes delivery to almost 7,000 adults, and that kind of delivery to those newcomers helps us so much with our integration and our retention.

We've also had an increase of \$305,500 for the Labour Market Strategy for Immigrants, and this money is being used for skills assessment, matching skills with labour market needs, improving pre-arrival information and qualifications recognition, mentorships and training.

There's also been an increase of \$729,000 for Web portal data base development.

Our strategy around our Francophone initiatives is very exciting. We're one of the few jurisdictions in Canada to have this kind of an initiative. It provides us with an opportunity to assist newcomers in settlement and labour-market integration.

The funding to the multiculturalism branch is being used for an additional FTE and to hire an anti-racism co-ordinator and associated expenditures.

There is an increase, as well, of \$331,000 that is being allocated to five term positions in the

immigration branch. One position is dedicated exclusively to processing PNP applicants, and the other four positions are for the expansion of settlement and language services.

In addition to the increases contained in the '07-08 Estimates request, Labour and Immigration has access to another \$2 million from the immigration projects enabling vote. Of this funding, \$750,000 is dedicated to internal departmental programming in direct support of the growing through immigration strategy. This includes the funding for a total of seven additional term positions. Five will be dedicated to processing PNP applications. Madam Chair, \$1.250 million is dedicated to economic development projects and initiatives whose priority is immigration-related activities in direct support of the growing through immigration strategy.

I'd just like to thank all of the staff that I have the pleasure of working with. I often refer to our department as the little engine that could. All of the programs and services and the work that we do in this department really affects our employers here in Manitoba, that we want to stay here in Manitoba and thrive here in Manitoba; all of the workers in the province who we really want them to, obviously, have a good working relationship with their employees and feel good about going to work every day. Most of the work that we have done in our department does just that. It's the credit to the really terrific staff that I have in my department, so I'd just to take this opportunity to thank them all.

Madam Chairperson: We thank the minister for those remarks. Does the official opposition critic, the honourable Member for Morris, have any opening comments?

Mrs. Mavis Taillieu (Morris): Yes, I would like to, first of all, as well, congratulate the minister on her re-election, and I know that just from the small amount of time that I've had some briefings with the minister, I feel that we'll be able to proceed quite nicely.

I'm happy to have these new critic responsibilities. It's something different than what I've had before, but I'm not totally unfamiliar with Labour. I, at one point in my life, was a lab technologist at the Health Sciences Centre. I was part of the union there, and for a time I was the union representative, until I was promoted into management. So I have some perspectives from both sides of that issue.

Even at that point, we were young and debating the merits of being in a union or not being in a union and debating whether we wanted to be or whether we didn't want to be and debating whether people should be promoted on merit or seniority. So there was certainly a lot of issues that I dealt with; then in the management role, dealing with those issues from a different perspective.

I've also had some experience in small business in that I did start my own business. So I'm quite familiar with what owners of small businesses have to face and the challenges that they have with recruiting, retention, payrolls, wages, the conditions of work, and all of these things that provide for relations between employers and employees.

* (16:10)

I also know that as the owner and manager of a small business and one that was very deadline orientated, it always falls to the owner or the manager of the small business, the final responsibilities always fall to them in that if someone's sick, and if you have a small business and some work needs to be done and it needs to be done on time, well, it's the owner that will be there into the wee hours of the morning to get those jobs done because they know they have to; it's their livelihood.

Certainly I know the issues that employees have with managers from the other side of things as well, that they need to have time with family, and they need to have time for certain things or appointments and all these kinds of things that fall within a work day. So I think it's an understanding that I bring to this area.

I think, from seeing it from the point of small business, I know that we do need to have a climate where small businesses can flourish within our province, and so there's a lot of things around the labour standards and those things that do impact quite a bit on businesses.

I'd just like to also say that I did have a briefing with the minister, and I was quite pleasantly surprised at how that went because my situation that I was in with Family Services before and any briefings and conversations and Estimates that I did with the former Minister of Family Services were not as easy to do. So I thank the minister for those briefings and the access to the staff in the Immigration Department in which I did go and spend some time with them to learn more about the provincial nomination program.

But I just wanted to say a few things about that program. I know it's very successful, and I do want to say that we take a lot of pride in that as it was our government in 1998 that did set up that program. It's been expanded upon by this present government, and so we do recognize the desirability of bringing new Canadians and new Manitobans here as our society's been built on immigration.

We are also pleased to see that the program has been supported by the federal government and the transfer of \$10 million to \$11 million, I think it is, for the immigration programs just shows the commitment of the Conservative government federally, expanded upon by the programs set in place originally in 1998 by the Conservative Filmon government and the then-Minister of Family Services, the Member for River East (Mrs. Mitchelson).

Also, I just wanted to say I am quite astounded that I actually got the Estimates book before Estimates started. That's something new for me, so I want to thank the minister for that.

And with that, I think I'll conclude the statements. I'm looking forward to the responsibilities as the critic for Labour and Immigration, and I'll look forward to the Estimates process here and familiarizing myself with the department.

Madam Chairperson: Under Manitoba practice, debate on the Minister's Salary is traditionally the last item considered for a department in the Committee of Supply. Accordingly, we shall defer consideration of line item 1.(a) and proceed with consideration of the remaining items referenced in resolution 1.

At this time we invite the minister's staff to join us in the Chamber, and once they are seated, we will ask the minister to introduce the staff in attendance.

Ms. Allan: It's a pleasure and a privilege to introduce the staff that I get to work with in my department: Deputy Minister Jeff Parr; the Director of Finance Ken Taylor; the Assistant Deputy Minister of Immigration Ben Rempel; and Dr. Rick Rennie, the Director of Research, Legislation and Policy.

Madam Chairperson: Does the committee wish to proceed through these Estimates in a chronological manner or have a global discussion?

Mrs. Taillieu: I think traditionally it's been, as allowed by the minister, a global discussion of the department, so I would be quite happy to proceed that way.

Madam Chairperson: Is it agreed to have a global discussion? *[Agreed]*

The floor is now open for questions.

Mrs. Taillieu: I, too, want to just recognize the staff that the minister has introduced. I've met some of you before and I'm pleased to meet you and thank you for all of the work that you do.

I did have an order of questions that I wanted to proceed through but there's just one thing in the opening statement that was mentioned that I'd like to start with. So I'm already out of order or out of my planned order, I might say. The minister did say that they were planning on hiring four new Workplace Safety and Health officers. I just wanted to note that in the annual report, the 2005-2006 annual report in the Workplace, Safety and Health division—it's actually on page 33—it says under Explanatory Number, referring to a section here: Under-expenditure reflects implementation of the vacancy management strategy, to delay hiring of four Workplace, Safety and Health officers.

So I'm just wondering if these four FTEs are new positions or are they just filling old vacancies?

Ms. Allan: They are new positions.

Mrs. Taillieu: Thank you. I will proceed now through my regular questions.

Again, I just want to note that I do have the Estimates books, which is great, because often these don't appear until the end of Estimates or the next day or something. I'd like to ask the minister if she could tell me the—I'd like a list of her political staff, their names, positions and whether they are full or part time.

Ms. Allan: Well, in my office my special assistant is Sharon McLaughlin. Trust me, she's full time. In my constituency office, I have an executive assistant, Brenda Deamel who is full time, and I have another staffperson there, and this is really embarrassing, her name is Jackie, and I can't remember her last name off the top of my head, but she is part time.

Mrs. Taillieu: So the minister is saying she only has two political staff then, but one's in her constituency office?

Ms. Allan: The person that is full time in my constituency office is paid for through the Department of Labour and Immigration. The individual that is part time in the office is paid through the LAMC constituency office budget. So I only have two political staffpeople in my department that work with me on a daily basis.

Mrs. Taillieu: Then could I have a list of the staff in the minister's office and the deputy minister's office then?

* (16:20)

Ms. Allan: I will get that list to you. We'll list all of the civil servants that work in the deputy minister's office to the Deputy Minister Jeff Parr and in my office.

Mrs. Taillieu: Would that be for tomorrow's Estimates?

Ms. Allan: Yes.

Mrs. Taillieu: Thank you. On the org chart, there are a number of boards that fall under the Minister of Labour and Immigration. I'd like to just talk about those boards and who's on them and in what capacity and so on.

So I'd like to start with—we might as well start with the Building Standards Board. Who is on that board and—we'll start with who's on the board.

Ms. Allan: The Building Standards Board is a group of stakeholders that represent employers—well, not just employers, technical people that understand the Building Code. I think it's about 12 people or so, and I don't believe we have that list with us today. I apologize for that, but we will definitely get that to you by tomorrow.

Mrs. Taillieu: In relation to that board, if there are 12 people, how frequently are board members changed or appointed?

Ms. Allan: They are nominated by their respective industry interest. So, for instance, we have somebody on the board from the Manitoba Home Builders, and we also have somebody on the board from the architects. We also have somebody on the board from the engineers. So, if those stakeholders are comfortable with those individuals that are on that board, we don't change them. It's kind of at will of those third parties. If they come to us and they say that somebody's retiring or they want to make a change, then we take that lead from them and they

make a suggestion and then I take the name to Cabinet.

We have just made a change on the Building Standards Board. I bet you in the four years I've been the minister I think we've probably made maybe five or six changes, but the one that is most recent is we wanted to get somebody from the green building community because that is an emerging issue for us. So we actually got a name from the Green Building Council, I believe is the actual acronym for that stakeholder, and it was a woman who is actually very, very knowledgeable about the green building industry and very, very knowledgeable about the Manitoba Building Code.

Mrs. Taillieu: Are they paid a per diem or is this a volunteer position?

Ms. Allan: Well, we don't think we pay them anything, but we'll confirm that for you.

Mrs. Taillieu: What is the purpose of the Building Standards Board? What do they do, who do they report to, and what is their role?

Ms. Allan: Well, I am also the Minister responsible for the Office of the Fire Commissioner because I just don't wear enough hats. I had to get that as well.

The Office of the Fire Commissioner is responsible for the Manitoba Building Code. So that's how it all connects, right? So the Building Standards Board actually is staffed by a staff person in the Office of the Fire Commissioner, and it's their responsibility to give advice, to look at new emerging issues, to look at—also our Manitoba Building Code is harmonized with the national code so it's important that we keep abreast of some of the issues in regard to the national code. All across the country everybody is trying to kind of keep on the same page because that's what's obviously best for jurisdictions, not to have different codes throughout the provincial jurisdictions, to try to keep everything harmonized so that we don't have kind of wonky building practices all throughout the country.

Mrs. Taillieu: Can the minister tell me who is on the board of the Advisory Council on Workplace Safety and Health?

Ms. Allan: The chair was just recently appointed and his name is Grant McCaughey. He was a unanimous chair approved by both the employer reps and the labour reps, and I believe there are also 12 people on that board as well. They are a cross-section of employer representatives and labour representatives

that are interested in workplace, safety and health issues. We will get that complete list to you by tomorrow for Estimates.

Mrs. Taillieu: Madam Chair, who appoints the members to the board then? Who selects the members to be on this board?

Ms. Allan: I do in consultation with the stakeholders.

Mrs. Taillieu: Madam Chair, could you explain the funding arrangement for the Workplace Safety and Health committee? Who pays for that committee?

Ms. Allan: I just want to clarify. You said, the committee. You are talking about the Advisory Council, right?

Mrs. Taillieu: There is a Workplace Safety and Health committee?

Ms. Allan: In our legislation that we passed in 2002 there is a stipulation that any employer that has more than 20 workers has to have a Workplace Safety and Health committee, and those committees would be paid for by the employers, whether or not they are paid for or not. Quite often I'm quite sure that they don't get paid at all. I do not have a Workplace Safety and Health committee specifically that is paid for in my department.

Mrs. Taillieu: The people that comprise then the Workplace Safety and Health committee, are they employed by specific businesses that have more than the 20 people or are they employed by some other group?

Ms. Allan: Well, the Advisory Council, I believe you're talking about the Advisory Council on Workplace Safety and Health. For instance, Grant McCaughey, who is the chair of the committee, he works at the University of Manitoba and he has done a lot of work around Workplace Safety and Health issues. I'm remembering this from the top of my head now because I just actually had lunch with them in the spring. One of the women is a new person on the committee. She's from Boeing and we were really delighted obviously to have a woman on the committee, but she's also versed in workplace health and safety culture. In Boeing, they have a very, very good reputation of adopting workplace, safety and health culture in their operation, so that's just kind of two examples of individuals on that committee and where they are from in the community. We wanted to have community stakeholders, employers and

workers, on the committee that had an interest in workplace safety and health.

* (16:30)

From the labour side, one of the people I can tell you that is on the committee is Pete Walker. Pete Walker is with the Manitoba Federation of Labour, and he heads up the Workplace, Safety, and Health division in the MFL. So it's the kind of people that have a real interest and an expertise in this area because what we've been trying to accomplish in Manitoba since we passed the legislation in 2002 is really have a strategy for reducing injuries. We think we've really come a long way in Manitoba, but we still believe we have more work to do, and by working with these stakeholders on this committee, I think they will assist us in doing that.

So we have Grant McCaughey. He's a P. Eng. and he's the Chair from the University of Manitoba. We have Carol Loveridge who's with the Manitoba Federation of Labour Occupational Health Centre; Andrew Dolhy, the Accident Prevention Associations of Manitoba; Judith Siemens, a registered nurse with the College of Registered Nurses of Manitoba; Rae Cavanaugh, who's in American Industrial Hygiene Association; Ron Hambly from the Manitoba Employers' Council; Stan Kruse with the Manitoba Heavy Construction Association—Stan's terrific; he's really into safety in the Heavy Construction Association; Neal Curry from the Manitoba Employers' Council; Ian Cooper, the Mining Association of Manitoba; and then Pete Walker, who I mentioned earlier; David Martin from the Manitoba Building and Construction Trades; Steven Edwards from the Canadian Union of Public Employees; and Rob Hilliard, United Food and Commercial Workers Union.

All of the funding comes out of the Labour and Immigration budget and we pay them a whopping \$38 a day.

Mrs. Taillieu: I guess what I'm asking is the Workplace, Safety and Health division, there was a recommendation, I believe, from the review of The Workers Compensation Act in February of 2005 that the act should be amended so that costs in enforcement are currently undertaken by the Workplace, Safety and Health division but they should be borne out of general revenues of the province.

So I guess that's where I'm trying to go. It would be Workplace, Safety and Health division is funded

by the Workers Compensation Board rather than through general revenues of the province. Is that correct?

Ms. Allan: That is correct. It is a grant to the Province and the formula for that grant was established by the previous government. Workplace, Safety and Health in all provinces and territories in Canada is funded by the WCB. That's a standard practice, every jurisdiction in Canada. That's because Workplace, Safety and Health—we believe it's important that enforcement and prevention are investments in the claim reductions at WCB, so that if Workplace, Safety and Health is doing their job and we're having less injuries, that's a cost savings to the WCB and we have seen that happen.

Mrs. Taillieu: I know that there has been—businesses do take it very seriously when injuries occur and certainly do everything that they can to reduce injuries in the workplace with education of their employees. I know that there's been some strides made there, some good gains made there.

But I would like to ask: When the Workplace, Safety and Health division is funded by the Workers Compensation Board, it basically means it's funded by the employers of the province's businesses that contribute to the Workers Compensation Board. So how many of those employees would then be working directly for the minister?

Ms. Allan: They don't work directly for me. They are civil servants in the Workplace, Safety and Health division. They would report to the Assistant Deputy Minister Don Hurst.

Mrs. Taillieu: So there's no person working from Workplace, Safety and Health that would be employed in the minister's office then?

Ms. Allan: That's correct. And I just wanted to add, the WCB is also very unique all across Canada. It has a tripartite board of directors, three employer reps, three labour reps and three public interest reps. The employer reps are recommended to the minister by the employer stakeholders, and the same is true with the labour reps. Then I try to consult with both stakeholders in regard to the public interest reps and try to fill in the gaps, and we do look at emerging issues and trends, and we do look at our board makeup and try to make sure that we really have a board that has the expertise on it to keep us current in the province. And we have the second lowest assessment rate of any jurisdiction in Canada, second to Alberta. So we're very, very pleased with the work

that is being done at the WCB and with the partnership with Workplace, Safety and Health division, and we work in partnership on our injury reduction strategy with WCB and Workplace, Safety and Health.

Mrs. Taillieu: I notice that this is one of the recommendations that's come out of the review. I know there's a number of recommendations that the government has acted on out of the review done in 2005. This one is actually the fourth recommendation in the summary, so I'm just wondering if there's any intention then of the government to actually bear the costs of the Workplace, Safety and Health divisions through general revenues.

Ms. Allan: Well, I do like to be leading edge in the province, and, you know, do legislation and do things in Manitoba that haven't been done in any other jurisdiction, but this is certainly not one area that I would like to lead the country on. I believe that this is an appropriate expenditure for the WCB, and we have an excellent board of directors that work together at WCB and that believe in the funding model that is in place now.

Mrs. Taillieu: Madam Chair, thank you for that answer, but I'm just, you know, reiterating the recommendations made from that report, and the people referenced by the minister would be making that report. So I'm simply saying that this is a recommendation that they have brought forward in the report. In conversations with some of them just recently, that's one of the things that they did bring up to say that, yes, they're very appreciative of a lot of the recommendations that have been brought forward, but this one has not been addressed and they feel strongly, some of them that I've spoken with, that it is one that has not been dealt with.

I'd like to now ask the minister who's on the Power Engineers Advisory Board.

Ms. Allan: We'll have to get that to the critic tomorrow.

Mrs. Taillieu: Well, I guess I'll just make this simple, Madam Chair, because I'm going to ask who's on every board that's listed on the org chart, and I would have thought the minister—these boards fall right underneath her on the org chart, so I would have thought that she would at least be familiar with who's on these boards because I'm assuming that she interacts with these boards on a regular basis;

otherwise I don't know what the intention would be to have these boards and then not hear from them.

So, there is the Manitoba Pension Commission, the Manitoba Labour Management Review Committee, Manitoba Immigration Council, Construction Industry Wages Boards, Manitoba Labour Board, the Ethnocultural Advisory and Advocacy Council, the Elevator Board, the Minimum Wage Board, and the—well, I have not really been assigned the duties for the Status of Women, but we might as well include the Manitoba Women's Advisory Council.

I would just appreciate knowing who's on these boards, so if the minister can provide all of those, it would be helpful.

* (16:40)

Ms. Allan: We'd be more than pleased to do that. It would probably save time to just pull out the whole package together for her, for the critic and give her the complete package because it is a lengthy list—some of the boards, particularly the Ethnocultural Advisory and Advocacy Council. There are over 20 people on that board. It's a very interesting board; it's appointed by the community and then we receive the recommendations from the community and then as a government we put five people on that board, so that's a lengthy list. So we could certainly get all of that information to the critic.

Mrs. Taillieu: Then in regard to the Ethnocultural Advisory and Advocacy Council, MEAAC I think is the acronym, the minister said there were 20-odd people on that board. Five of them were political appointments, is that what I heard her say?

Ms. Allan: No, not political appointments, but they are appointments that are made by the government. I do have the list if you would like the list.

The current MEAAC members and the ethnocultural communities they represent are as follows:

Zofia de Witt (Polish), Ezzat Ibrahim (Egyptian), Dr. Madhu Gupta (East Indian), Dr. John Jack (the Vincent community), Dr. K.C. Asagwara (Nigerian), Marla Braga (Portuguese), Graham Buckingham (British), Marusia Foster (Ukrainian), Patsy Grant (Trinidadian), Maureen Cruz (Filipino), Alice Fan (Chinese), Carmen Infante (Spanish), Dr. Romy Magsino (Filipino), Dr. Glenn McVicar (Aboriginal), Christina Semaniuk (Ukrainian), Rose Tilbrook (Ugandan), Beatrice Watson (Guyanese),

Abdoulaye Ndiaye (Senegalese French), Daniel Negussie (Eritrean), George Penner (German), and Linda Pruden (Slovenian).

Mrs. Taillieu: I thank the minister for that and I do want to recognize all of those people on that board. It certainly is representative of the multicultural mosaic of our province. I've met some of those people personally, and I know that they are very, very interested in their communities and being advocates for their communities. So I want to congratulate them on being involved and being on the board.

But certainly in regard to all of the boards, I really am interested to know how people get onto boards. Are they elected by people within their various organizations or communities, or are they selected or hand-picked by the minister?

Ms. Allan: Nomination packages were mailed out to 176 ethnocultural communities inviting them to submit a nominee for election. We're actually just in the process of nominating a new board. We're going to be completing that nomination and election process by December and we're going to probably announce a new council probably January or February. So they are nominated by their communities.

Mrs. Taillieu: Does that hold also, for example, for the Manitoba Labour Board? Are those people nominated by certain groups or are they appointed?

Ms. Allan: They're nominated by the Chair of Manitoba Labour Board who is Bill Hamilton, who is a unanimous appointment, a consensus appointment from labour and employers.

Mrs. Taillieu: How many people are on that board, the Manitoba Labour Board?

Ms. Allan: We're just looking up the information on that. The Manitoba Labour Board is an administrative tribunal. The Chair of the Labour Board, Bill Hamilton, nominates those individuals for appointment, and he does that in consultation with the employer stakeholders and the labour stakeholders. Some of those individuals are full time, some of those individuals are part time, depending on—they do sit in panels and the actual individuals that are on that board, that information will be part of the package that we're going to get for you.

Mrs. Taillieu: I'm looking in the Estimates book and I'm on page 10. I wonder if the minister could explain the Transfer of Functions to: Health. What

does that mean? Under Reconciliation Statement. Transfer of Functions to: Health.

Ms. Allan: That was a transfer of a staff position over to the Department of Health so that was a transfer of one FTE from our department over to the Department of Health.

Mrs. Taillieu: So that means that that person is now paid by the Department of Health and not by the Department of Labour and Immigration?

Ms. Allan: That's correct.

Mrs. Taillieu: That means then, because they're paid by the Department of Health, they actually work in the Department of Health?

Ms. Allan: That's correct.

Mrs. Taillieu: Thank you. Can the minister tell me how many out-of-province trips she's made in the last year and the details of the trips, purpose of the trips, dates, costs, delegation?

Ms. Allan: Well, I can tell you that this is a real sore point with me because I don't travel half as much as I'd like to, and I'm really being honest about this. I think I have the distinction of being the Cabinet minister with the smallest travel budget of all of my colleagues for the last four years except for the Minister of Health who beat me out one year because she—or the Minister of Healthy Living, and it was because she was pregnant. In the last year, in the '07-08 year, I was at the Firefighters' Memorial. I was invited by United Firefighters to attend the memorial service in Colorado Springs on the 14th to the 16th of September in Colorado Springs, and I was there with Captain Lessard and Captain Nichols, the widows, and their families and that cost was \$1,208.35. And I think that's it. Yup, that's it. That's pretty bad, eh?

Mrs. Taillieu: I really feel sorry for the minister. She's not allowed to travel very much, but there might be a reason for that, and maybe it's because there are other travel expenses from other departments, maybe, that are put in her department because she doesn't travel very much, so is there any other department or from the Premier's office perhaps that her department pays for? Any other travel by any other minister, any other department, or the Premier?

* (16:50)

Ms. Allan: We have not paid for any trips in relationship to any of the Premier's travel. But I am

just remembering another trip that I went on and I'm going to get the information for the Premier (Mr. Doer). I did go to the Council of Federation meeting in August and I am going to get the cost of that trip for you.

Mrs. Taillieu: Being not specific just to the Premier but any of the Premier's trips, the delegations that he has led to other areas, has any of the costs of any of the trips led by the Premier, any of his delegations been borne in any way by the Department of Labour and Immigration?

Ms. Allan: No.

Mr. Kevin Lamoureux (Inkster): I do have a series of questions that will probably continue till tomorrow, but I'll try to be as concise as I can.

The first one would be in dealing with waiting times. Ottawa's developed a process on the Internet where it indicates, and I'll use as an example the embassy, I believe it's in the Philippines, where they say 30 percent of cases are finalized within six months; 50 percent of cases within seven months; 70 percent of cases finalized in 10 months; 80 percent of cases finalized in 12 months. So generally it's accepted that if you've gone past that 12 months, there are some issues that are related in regard to your file.

Does the minister have any sort of a similar reporting mechanism for her department?

Ms. Allan: No, most of our cases are finalized under six months.

Mr. Lamoureux: There are, in essence, two general streams, Madame Chair. The priority streams I think it's the top five. I'm assuming that that's what she means when she refers to within six months.

What about the general stream?

Ms. Allan: Well, first of all, I hate to answer a question by asking a question, but the other day in the House, the MLA for Inkster (Mr. Lamoureux) put on the public record in his question to me about processing and wait times that today it takes longer in many cases to process a provincial nominee certificate than it does to process an immigration file in a foreign embassy here in the province of Manitoba. That is totally and absolutely unacceptable in terms of the general stream.

So I would just like to ask the member what statistics he was looking at, because if he was

looking at the statistics that he just read out to me I think that that's incorrect information.

Mr. Lamoureux: Madam Chair, I do want to get through a number of questions. But, first of all, I would compliment the staff. I know she at times likes to pit me against the staff. These are professional civil servants. I respect them as that. I expect the same courtesy that would be provided to any MLA.

Having said that, I believe that if she confers with her staff, that she'll likely find out that the general stream often exceeds 12 months. I would ask the minister to do just that to see if, in fact, I'm right.

Ms. Allan: Well, Madam Chair, that is not true. I've told the MLA in Question Period and I'll tell him in Estimates that the Provincial Nominee Program is a labour market program. It's to fill skilled labour shortage here in the province of Manitoba. It says very, very clearly in the application form, and I know the member is familiar with the application form because he spends a lot of time in his constituency office helping his constituents, filling out Provincial Nominee Program application forms.

It says, in step 3 on the form, it says: "Do you meet the eligibility criteria for one of the provincial nominee assessment streams? All applicants to the MPNP must be able to demonstrate a genuine intention and ability to settle successfully in Manitoba. The MPNP has five priority assessment streams and a general stream. Priority assessment streams are designed for applicants who can demonstrate the strongest potential to settle successfully and permanently in Manitoba. Applications accepted in a priority assessment stream will be assessed before applications received under the general stream."

I think I said it very clearly today in Question Period. The Provincial Nominee Program, what we try to do with our priority streams is we try to get our applicants approved as quickly as possible, and it's a little easier in that area because of the simple fact that usually there's a job offer. Quite often it may be through the foreign trained, the student program—sorry, International Student Program. There's usually family supports in place so that we know that those individuals can succeed. The average waiting list in that area is two to four months, as I said in Question Period the other day.

The general stream, it does take a little longer but absolutely it is not a year. It is not a year, and I'm

very, very concerned that the MLA for Inkster would target the general stream in that way and make that kind of a broad-based statement in regards to this general stream. It is our responsibility when newcomers are coming to Manitoba to work with them to make sure we can get them here.

The information still has to be exchanged and quite often the number one reason for a delay in any application is because of incomplete paperwork. That is the number one reason. So we continue to be diligent with all of our applicants because we want people to come to our province and we want them to succeed and we care about all of the people that come through our MPNP.

Mr. Lamoureux: Madam Chair, I wonder if the minister would then indicate, and she's being fairly clear and I appreciate that. If I'm wrong I would apologize for it, but I wonder if she could indicate then, clearly, that there are not applications that exceed 12 months.

Ms. Allan: That does occur and it's very similar to the situation that I just talked about earlier. If the

application is incomplete and we have to get back to the applicant and get further information from that applicant, we don't just take the application and throw it in the garbage. We continue to work with that applicant to make sure that that application is complete and we can get as much of the information that is possible. You know the kind of information that we're looking for, because this is a labour market program, remember, and we're trying to bring these people to Manitoba so that they can participate in our economy, so they can find jobs.

So we continue to try to get as much of that information from them as possible about their education, their language adaptability, all of that information. So we continue to work with them. We just don't discard them.

Madam Chairperson: The hour being 5 o'clock, committee rise. *[interjection]*

Oh, the time being 5 o'clock, I am interrupting the proceedings. The Committee of Supply will resume sitting tomorrow morning at 10 a.m.

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Thursday, October 4, 2007

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