



Third Session - Thirty-Fifth Legislature
of the
Legislative Assembly of Manitoba

**DEBATES
and
PROCEEDINGS
(HANSARD)**

39-40 Elizabeth II

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Speaker*



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MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Fifth Legislature

Members, Constituencies and Political Affiliation

NAME	CONSTITUENCY	PARTY
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BARRETT, Becky	Wellington	NDP
CARSTAIRS, Sharon	River Heights	Liberal
CERILLI, Marianne	Radisson	NDP
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VODREY, Rosemary, Hon.	Fort Garry	PC
WASYLYCIA-LEIS, Judy	St. Johns	NDP
WOWCHUK, Rosann	Swan River	NDP

LEGISLATIVE ASSEMBLY OF MANITOBA

Tuesday, May 19, 1992

The House met at 8 p.m.

**COMMITTEE OF SUPPLY
(Concurrent Sections)**

RURAL DEVELOPMENT

Mr. Deputy Chairperson (Marcel Laurendeau): Order, please. When the committee meeting in Room 255 last sat, we were considering item 4.(a) Salaries \$362,900. Shall the item pass?

Ms. Rosann Wowchuk (Swan River): I have a couple of questions on this section. This department deals with the Department of Environment with the environmental impact assessments. Can the minister let us know which areas or what particular environmental impact assessments the department is working on right now?

Hon. Leonard Derkach (Minister of Rural Development): The Provincial Planning branch assists in such things as site selection for a variety of companies that may, in fact, be interested in locating in the province or in some of the communities in rural Manitoba or in the province as a whole, and some of the types of ones that we are dealing with is the BFI site selection for waste disposal. Still others that are being worked on are such things as the Churchill Rocket Range, for example. It would be one that the branch might be working on as well.

Ms. Wowchuk: Is the department doing any work on the environmental assessment in cutting in the parks and the impact that is going to have on rural communities?

Mr. Derkach: Mr. Deputy Chairperson, no, there is no work being done by this department on the impact studies of those. That is something that is completely in the purview of the Department of Environment.

Ms. Wowchuk: It says in here, natural resources related conflicts and land use policy, and that was why I was asking about the land use of the parks cutting. Also, you have mentioned that they are dealing with large companies that might be establishing in the rural communities. Has this department been involved at all with the proposed

environmental impact assessment on the Repap operation?

Mr. Derkach: Mr. Deputy Chairperson, because the branch itself provides assistance and information for the establishment of companies or acts as an advisory, if you like, to the Department of Environment where matters relate to this department, we have a membership on the technical advisory committee. Basically, as a member on that committee, we would be involved in terms of providing advice from the planning perspective.

* (2005)

Ms. Wowchuk: Has the person who has been involved with the environmental assessment—can you advise us whether any work has been done as far as the environmental assessment of the Repap operation? Is that happening?

Mr. Derkach: There is nothing specific or there is no one particular initiative that I can relate to except to say that the work of the committee is ongoing, and they are addressing the issues as they relate to Repap. We have membership on that advisory committee, but there is not anything that I can point to as being a specific initiative that has been undertaken.

Ms. Wowchuk: Going on to another area, it says the branch will continue to assist the department in Rural Development initiatives.

One of the issues is rural gasification, and I believe that means bringing natural gas out to rural communities. The previous minister indicated that he was in support and would like to see natural gas brought out to other areas of the province. Can the minister tell us what his position is on this and what studies are being done as far as bringing natural gas to more communities in rural Manitoba?

Mr. Derkach: Mr. Deputy Chairperson, we are certainly in favour of rural gasification to communities where there is a need for it. Of course, in rural Manitoba that would benefit every community. However, having said that, we have to be cognizant of the fact that gasification to any community is a very expensive undertaking. It cannot be done overnight, because you have to do

a lot of work in terms of doing evaluation of the impacts that this will have on those communities, surrounding communities, et cetera.

We have done some work in terms of rural gasification as a department, but we are certainly not at a point where we can make any formal announcements of any kind at this time.

Ms. Wowchuk: Could the minister tell us which areas of the province are being studied or whether any money is being put into studies at the present time, areas that have been identified as areas that could use or he would like to see natural gas going into?

Mr. Derkach: Mr. Deputy Chairperson, there is not any one specific community or communities that are being sort of isolated or being picked as the areas that might be ones where natural gas would be extended to. The branch or the department is working with Centra Gas, because they are the people who would be the proponents or the installers of natural gas to communities.

We are looking at an overall plan. We are looking at some of the needs that have been expressed. We will be working with those communities to see whether or not it is even feasible to extend natural gas to them. Of course, Centra will not extend gas to a particular area unless there is some reasonable return on their investments, so that is always a consideration.

Ms. Wowchuk: Can the minister tell us which communities are being looked at right now as possible communities to have—the ones that they are working along with Centra Gas to have them gasified?

* (2010)

Mr. Derkach: As I indicated, Mr. Deputy Chairperson, there is no specific community or communities that are being looked at. I think what we are looking at as a department with Centra Gas is how we can address this in a general way, and in doing that one will have to look down the road at which communities can probably benefit from natural gas most, which ones can support the installation of natural gas by the industries that they may have within their communities. Thirdly, which communities are perhaps ones that natural gas can be extended to in a natural sense where there may be a pipeline existing already or one that is pointed in that direction and can be extended fairly quickly and without a great amount of difficulty. So it is more of an overall approach than it is—and we are in

the very preliminary stages of that. I would have to say that tremendous amounts of work still need to be done in a general sense before we can start becoming specific about specific communities.

Ms. Wowchuk: I hope that the minister will pursue this matter because if he is serious about economic growth in rural Manitoba and having industry come to rural Manitoba, this is one of the key elements. There is not an industry that is going to look at a smaller community unless they have an alternate source of fuel, and I think it is very important for all of those communities that are looking at development and looking at ways to diversify.

The minister said that they were working along with Centra Gas on this. I want to ask the minister: Is government putting any money into these studies or are the studies being funded by Centra Gas or what are the government's contributions to these rural development initiatives? In particular again I talk about, as an example, out of all of the ones that are listed here, gasification.

Mr. Derkach: Mr. Deputy Chairperson, I might say that the work is presently being done internally. So there is not any specific amount of money that has been allocated to a study that is going to be done jointly by communities and Centra Gas. The work that is being done is of a preliminary nature, and it is being done internally by staff within the department as it exists now. I might add that it is a high priority, but, you know, we have just been there for three months or so, or four months, and it is not something that we can give a great deal of response to at this time.

There are other energy issues as well that are sort of interrelated especially when you start talking about economic development in rural Manitoba. Those are such things as three-phased power to the rural communities, to the farm sites as well, along with natural gas. It is a fairly complex area because there is quite a demand for natural gas in all of our small communities. As the member knows, we are a long way from servicing a majority of the province with natural gas.

Mr. Nell Gaudry (St. Boniface): Mr. Deputy Chairperson, I would like to raise the full matter of Provincial Land Use Policies. It says, lead the development, evaluation, adjustment, and implementation of Provincial Land Use Policies. Can the minister explain the process?

Mr. Derkach: I am sorry, can I ask that the member rephrase his question again?

Mr. Gaudry: Mr. Deputy Chairperson, in regard to the implementation of Provincial Land Use Policies, can the minister explain the process?

Mr. Derkach: There is a fairly elaborate process that is undertaken by the department with regard to how we implement the provincial land use policies. First of all, the branch has responsibility for implementing this, but they do not do it without a great deal of consultation with a variety of groups.

When a particular land use policy or plan is embarked on, a number of steps have to be undertaken before it gets to completion. First, the department will do its own preliminary analysis and recommendations and that sort of thing. Then that will be sent out to a variety of organizations. I might say these include local government districts, professional associations, environmental resource groups, and other institutions such as the Institute of Urban Studies perhaps, the Manitoba Historical Society, the Heritage Federation, the chambers of commerce, the Archaeological Society, just a host of other interest groups with regard to provincial land use. Then, of course, it will come into our interdepartmental planning group who will do an assessment of it. Following that, it will go to the PLUC committee of cabinet who will make a recommendation to cabinet for approval.

* (2015)

Mr. Gaudry: When do you expect to come up with a recommendation? I know there was some concern when Bill 45 was presented here, and the people of Manitoba had the opportunity to respond and they expressed concerns with the amendments.

Mr. Derkach: I am told that the public consultation will be completed by the end of June, and then it will come in for acting on the responses, if you like, from the public. So we are talking about sometime in the fall of this year for implementation.

Mr. Gaudry: There will certainly be public hearings for the public at a later date.

Mr. Derkach: The process that I describe that it is in now until the end of June is the public consultation process, if you like. After that the process is complete, then it is adopted as part of regulation.

Mr. Gaudry: You say there is a public input at this stage till June 30?

Mr. Derkach: That is correct.

Mr. Gaudry: Therefore, if anyone wants to make representation or recommendations to the cabinet, what is the process for them to do it at this stage?

Mr. Derkach: It is through the public consultation process.

Mr. Gaudry: Will there be advertisement of where they can make their presentation or what process is involved?

Mr. Derkach: Mr. Deputy Chairperson, the stakeholders are the groups that have been advised with regard to making comment. Comments may be sent directly to the branch from anyone, not just the stakeholder groups. Indeed, if the public at large want to make representation they can send their comments directly to the branch.

Ms. Wowchuk: I have one more question in this section and that is dealing with the round tables and the community vision statements. What is the next step when a community puts their vision together and sends it in? What is the next step that happens? I am hoping that there is some follow-up to work along with the communities once they have put these plans in place. If there is, who deals with them, and can we have any idea of the progress? Have some of them gone on to the next step?

Mr. Derkach: Mr. Deputy Chairperson, it depends on the initiative, I guess, but all of the round table plans, if you like, or statements are sent to our department. We do not approve them or reject them. Instead, we simply would share them with those departments that may be impacted by that.

In terms of a community setting its vision, if you like, for the future and the types of initiatives that they may want to undertake, which is quite separate from their vision statement, they could then, based on their vision statement and on the initiatives they may want to undertake, they could apply if it fits the model for either Grow Bonds funding for a project or, in fact, for REDI funding, for assisting them in ensuring that the particular type of enterprise is attracted to the community.

* (2020)

Ms. Wowchuk: Is there staff allocated, or who works along with these people once the vision has been put into place? There was a particular community that called and said, you know, we have put this proposal in, but now what? Is there going to be any follow-up work from government to help us? Are there any resources put in place that will help a community put their plan into place?

I mean, it is one thing to say, well, there are Grow Bonds here for you and there is the REDI fund for you, but they need expertise as well. That is what I am looking for.

Mr. Derkach: A good point, because it is important for communities once they have established a vision statement or the direction that they wish to go in, they have identified their strengths, it is important for them to be able to somehow access some expertise as to the second stage.

We have Regional Development offices scattered throughout the province, and we are now retraining, if you like, or we are going to be going into the retraining of some of the staff at those offices to ensure that they do not just perform the planning function, but indeed they become Economic Development officers who can assist communities once they have gone through the establishment of a vision statement and a strategic plan, if you like, for their communities.

Ms. Wowchuk: Is the funding put in place to help these Regional Development officers? Has the funding been made? The Regional Development Corporations, is the funding consistent with what it was? Is there funding in place to help these officers get the training that they need to support the communities?

Mr. Derkach: Mr. Deputy Chairperson, the Regional Development Corporations are different from our Community Development offices. The Regional Development Corporations are their own entities, if you like, but the Community Development offices are our own offices, our regional offices. Yes, we staff those offices with an average of four or five people.

They have an area that they are responsible for. With the communities in that area, they would work towards establishing such things as setting priorities for the communities, future directions, assisting them with access to programs that might be available either from our own department or perhaps from I, T and T, working in joint partnership with the community to be able to access even federal programs or information to federal programs. So the Community Development offices play a very, very important role in terms of delivery of the programs that we have put in place.

Ms. Wowchuk: Just one more question on the round table groups. There was funding put in place for round table groups to get started. I want to know, has the amount stayed the same as it was initially

started out with, or has there been a change in the formula for funding a round table group?

Mr. Derkach: Mr. Deputy Chairperson, the funding levels have not changed. The funding levels have remained. We have, as I indicated, 26 different communities who have accessed the community round tables money, the community Choices program. In terms of the decrease in funding, there has not been any decrease, it has remained intact.

Ms. Wowchuk: The reason I was asking, the amount of money that was set when the round tables were first set, it was completely funded by government. Are the towns now expected to match the funds, or how are the funds put in place for a round table?

Mr. Derkach: The round tables have always been on a matching basis, and that is still the way it is. We will give a specific amount of money as a grant, but the community will have to contribute its portion or its share of the funding.

Mr. Gaudry: It is in regard to the round tables. How are the communities selected, or is it by application?

* (2025)

Mr. Derkach: Mr. Deputy Chairperson, every community that wishes to set up a Community Choices program applies to the department. To my knowledge, we have tried to accommodate each and every community that has applied and meets the criteria and can then come in with its own funding to match what government gives. From there we start working with them to get their membership and then start working with our community economic development offices to set their vision and their goals in place.

Mr. Gaudry: What are the basic criteria for the community to get the round table grant?

Mr. Derkach: Mr. Deputy Chairperson, when a community applies for a Community Choices program grant, what we do is staff from the department will work with that community to, first of all, identify what it is that they really want to do in terms of a round table. If in fact their round table is one which is geared towards economic development for the area, and where that community wants to better itself in an economic sense, there are some criteria that are set down with regard to what they have to establish in terms of membership, in terms of the goals and visions.

That is why we want to see a copy of their vision statement as a department, to ensure that the money that we are investing in them is not just wasted but indeed that there is something productive out of it. We work with them to develop, first of all, some of their goals and objectives and a schedule as to how quickly they want to move towards that and so forth. It is all sent out to them, I might say. There is a pamphlet—I do not know if this is it—yes.

There is a document that is put out by the department on the Community Choices program. It is quite straightforward and can be followed through quite easily by community members who can look at what they should do to establish a round table. Usually a community will ask for these. They will go through these, and then they will begin their work from there with one of our development offices.

Mr. Gaudry: What is the administrative cost of that program?

Mr. Derkach: In total, we have allocated \$85,000 for this function. We have one staff person who has been assigned responsibility for the Community Choices program, and in terms of staff and other associated costs we have budgeted \$85,000.

Mr. Gaudry: I do not know if this falls under this section here, but in regard to Headingley. It has seceded from the city of Winnipeg, and it could very well happen with the municipality of St. Germain. What is the outcome if St. Germain were to secede?
* (2030)

Mr. Derkach: Although this is covered in a different section, as you know that is something that is handled by, not the Department of Rural Development but the Department of Urban Affairs, until we reach a point when that community gets its status, if you like, as an independent community. In the case of Headingley, as an example, the entire process was handled by the Department of Urban Affairs until the regulations were passed and the legislation was passed, and it was as of last week, I believe, that Headingley came under our jurisdiction.

So up until the time that it becomes an entity of its own, this department does not have responsibility for those matters. That is something that is covered under Urban Affairs.

Mr. Gaudry: The Minister of Rural Development would not get involved in regard to the assessment and things like that prior to this happening if, let us

say, St. Germain were to secede from the city of Winnipeg?

Mr. Derkach: Yes, that is correct. As a matter of fact, with the case of Headingley, we could not even do enumeration, an assessment, until the boundaries were established, until the regulations were passed. At that point in time, we could start the enumeration and the assessment process.

Mr. Deputy Chairperson: Item 4.(a) Salaries \$362,900—pass; (b) Other Expenditures \$32,200—pass.

Resolution 117: RESOLVED that there be granted to Her Majesty a sum not exceeding \$395,100 for Rural Development, Provincial Planning, for the fiscal year ending the 31st day of March, 1993—pass.

Item 5. Local Government Services Division (a) Executive Administration: (1) Salaries \$66,600.

Ms. Wowchuk: Mr. Deputy Chairperson, this is the section then where we would be having a new assistant deputy minister hired, responsible for municipal affairs. I want to ask the minister, when do you expect that there will be a new deputy minister put into place? When you talk about restructuring of the department, what changes do you see happening in this department in the next six months?

(Mr. Bob Rose, Acting Deputy Chairperson, in the Chair)

Mr. Derkach: Mr. Acting Deputy Chairperson, this is the new branch, if you like, or the new arm of the department. I see a tremendous opportunity for this arm of the department, because it is this arm that will work with the communities throughout Manitoba to assist them and provide the tools for the revitalization, if you like, or whatever other term you want to use, in terms of attempting to encourage and motivate our communities to grow.

This, again, is a very new branch of the department; therefore, I imagine that many of the things are still up in the air in terms of what this branch will look like in the end. With the new deputy minister and new assistant deputies who will be coming on stream, certainly some of the things will probably change in terms of being proactive. We want to ensure that this branch is proactive in its view of rural Manitoba, that we do not just simply go out there and act as liaison, but we are out there actively promoting growth and economic development and activity. It is going to be the arm

of the department that, I think, is probably going to try and break down some barriers as they have existed before in terms of economic development in rural Manitoba.

We will be working with the municipal people. We will be working with—maybe I am talking about the wrong one. I am sorry. I am talking about the economic development arm. We are on the municipal one. Let me retract all of what I said and leave it for the other one.

Ms. Wowchuk: Finish it up and we will go on to something else.

Mr. Derkach: Yes, that is the Rural Economic Development arm.

On the other one, the Local Government Services Division is probably more synonymous with the old Municipal Affairs branch where we work with the municipal organizations and municipalities to assist them with such things as assessment. We provide services for financial advice, we provide some research for the municipalities, and we act as sort of the executive administration arm for the LGDs as well. So that is sort of the function that arm would perform.

Now, in terms of when the ADMs are coming on stream, now that we have a new deputy minister we can move with the next step, because I think it is only fair and very important that the new deputy minister would have some input into the selection of ADMs. Certainly, we expect that he will have a fairly influential position in that regard, and that is why we waited to fill those positions until we had a full-time deputy minister in place.

So there, I have gone through both.

Ms. Wowchuk: Since the minister has opened all that up, maybe we can just ask questions all over the place in this section. The reason I said that is I want to look then on the line of Assessment, if that is okay, or do you want to pass? I have no further questions on the executive—(b) Assessment rather than Executive Administration. I am just asking for clarification. If you just want to pass—

Mr. Gaudry: You do not pass Administration just like that. I want to ask questions, too.

Now, Salaries, you have an increase to \$66,000 from \$40,000. Could I have an explanation?

Mr. Derkach: That is a reclassification of the position because, as you know, this is a position that is going to be an executive position and, therefore,

it required a reclassification. That is why you see the figure go from \$40,000 to \$66,000.

The Acting Deputy Chairperson (Mr. Rose): Item 5. Local Government Services Division (a) Executive Administration: (1) Salaries \$66,600—pass; (2) Other Expenditures \$24,000—pass.

Item 5.(b) Assessment.

Ms. Wowchuk: We all know this section is a very important section, the section that deals with the reassessment that has been delayed causing some concern in the community, and I would like to ask some questions on that. First of all, I would like to know who is the head person on this department?

Mr. Derkach: The deputy minister.

Ms. Wowchuk: No, the person responsible for Assessment, who is that?

Mr. Derkach: I guess I should introduce the staff at this point who have just joined us. We have Mr. Ken Graham, who is now the Deputy Director, acting, of course, and we have Marie Elliot who has joined us, who is director of Research and Systems.

Ms. Wowchuk: You had said that Mr. Graham is the acting director of Assessment?

Mr. Derkach: Yes.

Ms. Wowchuk: Can you tell me why this position has stayed as an acting position? That position has not been filled permanently since Mr. Brown left, is that accurate? Why then—it is a very important position, and I do not doubt Mr. Graham's ability at it, but I question why it would stay as an acting position rather than being filled as a permanent position?

* (2040)

Mr. Derkach: Mr. Acting Deputy Chairperson, you raise a good point, but I have to remind you that the department has been under a period of restructuring, and until we have a permanent deputy minister and until we have our ADMs, we will leave that position as an acting one. At that point in time the people who are the executive people of the department will have some input into, perhaps, the restructuring and the promotion or the selection of people for those positions. So it is for that reason that we have left it on an acting basis.

Ms. Wowchuk: I appreciate that answer, but it did cause some concern that it would be left in that mode for such a length of time.

I want to get on then to the reassessment, and I want to ask the minister why he has found it

necessary to bring in Bill 20, which will delay the reassessment by another year. When I was on council and Bill 79 was coming in, we were told that everything was going to be so modern in this department. Everything was going to be so computerized that all they had to do was press a button and we could go ahead with reassessment.

That is the way it was sold to us. Then, if the equipment is all in place and it is so easy to do, why has the minister found it necessary to delay reassessment for another year rather than proceed as was the commitment from this government? When Bill 79 was being debated, there was a commitment from this government that never again would the assessment be delayed more than three years.

Now that we are moving to four years, it appears to be the thin edge of the wedge, so to speak, a move by government that they can do whatever they want just to back up assessment. What kind of a commitment do we have then that this is not going to happen again?

I raise these concerns because they are very serious concerns, when you put something into legislation that is giving a guarantee that it is going to happen every three years and then having it backed up for no real known reason.

Mr. Derkach: Mr. Acting Deputy Chairperson, let me say that we have consulted with the interest groups fairly extensively with regard to the reasons for Bill 20. I would have to say that in meeting with the various stakeholders, most of the people that I have had anything to do with have been supportive of the move to delay the reassessment for one year.

I guess we explained the rationale for moving to delay reassessment for one year. The reasons for that were, first of all, and not in that order but—

An Honourable Member: The most important is the first one.

Mr. Derkach: Not necessarily, but indeed, the Education funding formula, which was introduced last year, is a fairly complex formula. Let it not be trivialized, I guess, because if you look at the impact it has on municipalities and on school boards and on individual taxpayers, it is something that does not just go away overnight.

It is something that has to be understood fairly well by municipalities, by school boards, and, indeed, by those who pay the bills. If you would place on top of that, reassessment, it would not only

create some confusion in the minds of the taxpayers, but it would probably be more difficult then for school boards and municipalities to try and sort out and explain to their taxpayers what, in essence, all of this is about.

We have talked to municipalities about that, and we have asked the questions whether or not we are viewing it incorrectly or whether, in fact, they view it in that way. I can tell you that both UMM and MAUM and other organizations, other stakeholder groups, basically agree with us, that it would create some confusion in the minds—not in the minds, but simply for taxpayers and for some of the school boards and municipalities to deal with.

Now, that is one reason. Secondly, as you know, we introduced the whole portioning strategy, which is having an impact as well. Now if you were to try and sort out Ed funding formula, reassessment portioning, someone would have to do a lot of explaining not only to the people who are running the municipalities but I think to a lot of taxpayers.

We looked at whether or not reassessment would have a negative impact on the property taxpayers, and by and large, it does not in a general sense, because as long as portioning is used to control taxes for each property class, delaying the reassessment is basically a nonissue. Now if you take a look at the fact that the farm class—we have talked about farming a lot and about the fact that farmers are going to be impacted fairly negatively because of the fact that farmers pay only 27 percent of their assessment, and that is based on the 1985 values. That means that there is not a real impact on the bottom line, if you like, because in fact if values in 1990 will drop, then it means that someone is going to have to pick up that extra cost. That is just the way it is.

There is a certain amount of money that municipalities require to do their business, and so the portions were introduced to sort of apportion that burden as equitably as possible. We have talked to municipalities about this. We have talked to the various stakeholder groups, and they basically agree with us. There are some individuals who may not agree with us, but basically the people that we have talked to as stakeholder groups agree with the fact that neutralizes the impact. The last thing that it does is it allows our department to produce better quality assessments in the end, and I guess we have to go back and look at how often reassessments

were done before the introduction of The Assessment Act.

We have come a long way in the last four years in the entire issue of assessment, and although we would probably like to correct everything overnight, some of those things are just impossible to correct overnight and they take time to work through the system. Therefore, we are moving towards having a two-year spread, if you like. That is our goal, and we will move to that in 1994 when the new assessment takes effect. Now that will be done in 1993, as I understand it, to become effective in 1994. So we are in 1992 already. Basically you really cannot expect us to do much more than to do our homework next year for the impact to be known in 1994. If we try to do it before then, that puts a lot of pressure onto a department that is already doing a lot of work in terms of trying to sort of streamline the assessment process.

Ms. Wowchuk: Mr. Acting Deputy Chairperson, the minister has made a lot of statements, and you know he wants us to believe that this is just a very complex process and we need a lot of time to understand it. I do not know what is happening to educate the public. If it is so complicated, what is the government doing to make the process less complicated, to make the taxpayer understand what is going on? He talks about that the change in assessment is not really going to affect anyone because it is dealt with by apportioning and that will look after it, but in reality if there is somebody's property which is assessed way out of value in comparison to other properties, even with portioning, he or she will pay an unfair portion of taxes in comparison to the other ones if their property is overassessed. So I do not think that you can say that, well, it is all okay because apportioning looks after it.

He also said that this allows the government to produce a better quality assessment, and I do not understand why you need that extra year for that better quality assessment, if, as I said earlier, equipment is in place and I do not understand. I guess I just do not see the rationale behind delaying it.

* (2050)

On the portioning section of it now, you have said that there is a shift. The farm is now 27 percent, but there was an adjustment made in the portioning. I want to ask the minister, when there was a reduction in that portioning just this last year, the residential

went down a certain percent and farmers went down a certain percent, but in reality the farming portion went down less than the residential. As a result, farmers are picking up a larger portion of taxes.

If you could tell us, how much did portioning decrease on farm property versus business property and some of the other categories? Other categories had a larger reduction, but farming in proportion had a smaller reduction.

Mr. Derkach: Mr. Acting Deputy Chairperson, because of the adjustments in the residential classifications, there has been, of course, a shifting, if you like, of the pickup of that by other groups. However, in the end the farm group decreased by 1.5 percent. Now, there has been some discussion, and I know in the questions in Question Period there has been the suggestion that indeed the farm class picked up a larger portion, but that is not the case. As a matter of fact, their portion dropped by a percentage point. It did not go up. On the building part of it, the residences, that is one aspect of it; but on the total farm package, if you like, it went down by 1.5 percent.

Just by example, and maybe this may illustrate it best, in a general sense in the last four years, I guess, if you go back that far, we first of all took off the education portion, the ESL portion on farmland, on the raw farmland, and yes, there was taxation of farm residences. In fact, if you look at the overall tax share of farm property as a whole—that means farm homes, farmland and outbuildings—it has fallen from 12.5 percent in 1989 to 11.5 percent in 1992. This includes the impact of taxing all farm residences and outbuildings and, more recently, the portioning adjustments. So, taking all of those things into consideration, there still has been a decrease in the overall farm class of 1 percent.

The member may say that is not enough. Perhaps it is not, but that money has to come from somewhere. The question, I guess, may be put: Who should it come from? We have done a tremendous amount. If you compare what this government has done to the farm classes compared to what they were paying before 1988, indeed the taxes in an overall sense have dropped. I know from my personal experience, and I have buildings and farmland, my share of taxes, or my tax bill, has reduced.

Where there is intensive farm building use, that may not be the case, but where you have a fairly large land base and a small yard or small

outbuildings in your yard, whether they are grain storage, shops or whatever, in a general sense taxpayers are probably paying less now than they did four years ago, and that is pretty significant given what has been happening to costs.

Ms. Wowchuk: Mr. Acting Deputy Chairperson, can we just go back to that portioning, please? You were talking about the adjustment, and what I was asking was, when the adjustment was made to portioning, certain sections, classifications, had a reduction in their portioning and farm had a reduction, but I am looking for the—which classification got the largest reduction as compared to farmland? [interjection] There was change within the last year.

Mr. Derkach: Mr. Acting Deputy Chairperson, the largest decrease was to Res. 2 and they went from 73.2 percent to 68 percent. Res. 1 went from 48.6 to 47 percent and Res. 3 went from 32.7 to 33 percent. As the member knows, the Residential 2, which has been a big issue, was being portioned at 73 percent. This compared to a Res. 1 at 48 percent, so there needed to be some [interjection] Oh, farm, what did it go—

Ms. Wowchuk: What is the farm one?

Mr. Derkach: It is still 27 percent. The farm went from 27.1 down to 27 percent.

Ms. Wowchuk: That is what I am trying to get at, Mr. Acting Deputy Chairperson, is the fact that Residential 2 had a drop in—what is it, 5 percent, whereas farm residences had a drop of 0.1 percent, so in reality there is a shift on the amount of taxes back onto farm buildings.

Mr. Derkach: The member may be arguing that they went down the least, but let us look at the figures. We are talking about Res. 1 at 47 percent, Res. 2 at 68 percent, Res. 3 at 33 percent and farm at 27 percent, so there is already a break there. Besides that, it was not the differences were picked up by such things that run in municipalities as railways and pipelines, so there was some shifting to them as well.

It was not as though there was a shift to farms at all; there were other properties that picked up some of this as well, to try and get some equity in the system, because there is such a big gap between the Res. 2 and the Res. 3.

Ms. Wowchuk: Just on that and the other section of educational tax on farm land, we had a system brought in that was going to reduce education tax

that farmers were going to pay, but now we see a shift in the portioning that sees farmers having a larger base to pick up, but they are also having to pick up special levy education tax on the farmland. In reality, instead of farmers paying less educational tax, they are now picking up a larger portion of education tax.

Mr. Derkach: I would have to say that this government has lived by its commitment. We said when we came into power that we would reduce the education portion of tax on raw farmland. I think that came to us at a cost of something like \$22 million, if I am not mistaken. Now, that is \$22 million that came from general revenue to make up what we were compensating farmland for.

Secondly, if you look at what the farm portion is now as compared to 1989, it is an additional percentage point lower, which is the difference between 12.5 and 11.5 percent.

In terms of the special levy, that is something that has to be left to the responsibility of local municipal and local government organizations. You cannot simply say that it is government's fault that the municipality increases its budget and, therefore, puts more special levy on, or a school board increases its budget. I mean, those things are done by locally elected officials. You have a school board that is locally elected, you have a municipal council that is locally elected, and they are the people who set the special levies. It is not the province.

* (2100)

Now, you cannot expect the province to, first of all, take off \$22 million of responsibility from farmland, decrease the share from 12.5 to 11.5 percent and then somehow wave a magic wand and expect municipalities to freeze their special levies.

I mean, that really has to be their responsibility. If I tried or if any government tried to interfere with school boards in terms of their special levies and in municipalities, I can tell you that we would be criticized very severely by all of those organizations.

Ms. Wowchuk: Is there a way that this can be dealt with? This may be a hypothetical question, but I want to ask the minister. We have a commitment that education tax would stay on buildings rather than on land but, when it comes down to the special levy of schools, it goes on land and on the buildings, and the government says, well, that is not our responsibility, it is the local authority's responsibility.

How can this be dealt with? Is it necessary to change the taxation form that separates the buildings? Is it necessary that government pass legislation that special levy only go on buildings, not on land? Has the government looked at this?

How can we deal with this more fairly? Because land should not be taxed for education. We had that commitment from all members when Bill 79 was being passed, but now we have people saying, oh, well, it is not my responsibility, it is the local authority.

How can this be dealt with, that taxes for education will be more fair?

Mr. Derkach: I would just like to give you an illustration of what the reality is. I understand that taxes are not easy to pay for anybody. Whether it is special levy or ESL, it is still a tax that is paid to support our institutions. I notice that the critic for Education is with us, and I am sure that if he suspected that we would be somehow moving to take some portion of support that goes to schools now off somebody like farmers, then he would be asking the question, who is going to make the difference up?

If you look at what is being paid at the present time, and this is total education taxes that are paid by various classes, you can see that Residential 1, as an example, the total amount of taxes, the special levy collected is \$120 million. From farm, it is about \$22.7 million.

If you look at commercial, the special levy there is \$66 million. If you combine that with the ESL, you find that Residential 1, as an example, pays \$207 million; farm pays \$22.7 million because they do not pay any ESL; and the commercial, or the other, pays \$156 million. That is a fairly substantive difference in what is being paid by the farm and by the others and the residential.

So when the member asks how we can reduce the special levy, I do not know that we can, because that is something that is really up to the school boards and the municipalities to do. I do not know where else they are going to get their tax dollars if they do not get it from property classes, because that is how we have traditionally supported education.

We would have to redo the entire system of paying for education if we were to try and take it off farmland. Somebody has to pay the bill and, up until this time, I think it has been viewed by not just this government, by all governments, that property taxation is the fairest and the best way—maybe not

the best way—but it seems to be the fairest way in this province to support education costs.

Ms. Wowchuk: I think the minister misunderstood me. I was not trying to say that the farmers should not pay their fair share of taxes for education. None of us as farmers expect to get education for free. What I am getting at is, is there a way that taxes for education can go onto farm buildings rather than farmland?

Mr. Derkach: Mr. Acting Deputy Chairperson, I would have to say that if you compare the amount of farmland that we have in the province to the amount of farm buildings that we have in the province, there is far more farmland than there are farm buildings in this province. Therefore, you would have to have a fairly significant shift from farmland onto the farm buildings, and the taxes that you would pay on those farm buildings would be so high that indeed some of the ones that are intensive farmers, that have, whether it is poultry barns or hog operations or intensive cattle operations, livestock operations, just simply would not be able to exist and to pay their tax bills.

I am not trying to set up an argument with the member here. I am just simply pointing out that is the dilemma that is faced, and I think that all governments have faced. Down the road there may be a need to look at how we can possibly divide up that pie, but certainly we are not at that point at this time.

Ms. Wowchuk: Considering the length of time that we have for these Estimates, I think we had better leave that argument for another time and perhaps a discussion that we might be able to work something out that would be something that can be a resolution to this in the future.

I want to just touch on Bill 20 again, and that is the concern that farmers have with the amendments that are being made to Bill 20, that they will no longer have the right to appeal their assessment. I know the minister has said time and time again, and he said it in his opening remarks, that farmers do have the right to appeal, but there is a feeling in the community—in fact, there was a court case that indicated that farmers did not have the right to appeal.

If farmers do not have the right to appeal, why is the minister introducing this part of the legislation? Is he introducing it to take away the right of appeal from farmers in extreme circumstances, or is there a right to appeal under unusual circumstances? I

think that is a very important issue that is facing farmers right now, because if a homeowner has the right to appeal their property, I do not understand why farmers should not have a right as well if there are extenuating circumstances that have caused a decrease in their property value.

I am not talking about general circumstances, cost prices that lower everybody's value, but things such as rail line abandonment or plant closures that affect the value of farmland, those kinds of things. I think we have to have the protection in place for farmers to appeal.

Mr. Derkach: Mr. Acting Deputy Chairperson, I guess in all of this, we have to look at an element of fairness. When you do that, you have to ensure that how one group or one individual or one property is treated, another property is going to be treated as fairly.

When we introduced Bill 20, we made it very clear that we were not going to be taking any rights away from those who had those specific rights of appeal before. Bill 20 does not affect that. As a farmer, if you were allowed to appeal because of some external force near your property, whether it was a chemical spill or somebody putting up something that was affecting your property negatively in terms of its value, and it changed the value of your property, then you had the right to appeal that based on the 1985 values. That has not been taken away.

What cannot be done is that because market forces have changed in the farm community, you cannot appeal based on that, and that is exactly what Bill 20 prohibits a farmer from doing, because then there would not be any sense to having a reassessment year. Basically, you would be reassessing constantly as the appeals came up. We have to protect that; that is the integrity of the bill, if you like, or assessment.

* (2110)

All we are doing with Bill 20 is delaying the reassessment for one year. That is the most substantive change, and the rest of it stays as it was. So there is nothing taken away from a farmer to appeal the assessment of his land if there has been something happen to it physically or something has happened in a neighbouring property that has impacted on the value of his property.

We have made that very clear. We have talked to municipalities about it; we have talked to UMM, MAUM, Keystone Agricultural Producers. At first they were somewhat concerned that it, yes, in fact,

it could, but I think they are satisfied now that Bill 20 does not impact on them in that way.

The Acting Deputy Chairperson (Mr. Rose): To remind honourable members, before we proceed, that the purpose of Estimates is not to discuss bills that are under consideration. We appreciate the exchange of information and would appreciate it if the questioning could be confined to the line in front of us.

Mr. Gaudry: In regard to the reassessment, the question was asked, how have you informed the public out there in regard to the reassessment?

Mr. Derkach: Good point. We have had several meetings, workshops, if you like, with client groups in terms of what the meaning of reassessment is and what the delay of assessment is going to be. We have met with the major organizations at MAUM and UMM and Keystone. We have met at regional levels as well. We have also met, or tried to meet, with individuals who perhaps express an objection to Bill 20 or to reassessment, so we have tried to make ourselves as available as we possibly could.

We have also written letters to the newspapers. There was a letter from me, a letter to the editor, explaining reassessment to ensure that people who might have some questions would be able to contact us, and we have also sent letters out to all the municipalities to ensure that they too, if they do not understand something about reassessment, would be given every opportunity to contact us and we would make staff available to go over the impacts of reassessment.

Mr. Gaudry: For example, in Hanover municipality, in and around the Steinbach area, there were farmers where their taxes have increased up to 200 percent. What is the explanation for such an increase on a quarter section?

Mr. Derkach: I think the member asks a legitimate question in terms of clarification, but I would have to say that reassessment, as we understand it, and the staff have done the research on it, had no impact—or not a major impact on the increase in taxation in that municipality. In fact, the results of the increases could be traced back to several things, such as budget increases and also—I think if you go back as far as 1990—there was a fairly major municipal increase in taxation in the Hanover municipality.

The Acting Deputy Chairperson (Mr. Rose): Item 5. Local Government Services Division (b) Assessment: (1) Salaries \$5,195,900—pass; (2) Other Expenditures \$644,800—pass.

Item 5.(c) Municipal Advisory and Financial Services: (1) Salaries \$1,074,700.

Ms. Wowchuk: If it is all right with the minister, can we ask questions on that whole section of Municipal Advisory and then pass it all, or do you want to start with Salaries? I want to ask questions on policing costs. [interjection] In the section, okay.

Mr. Derkach: Mr. Acting Deputy Chairperson, if we follow the lines in order, we will come to policing costs back in item 5.(c)(6).

The Acting Deputy Chairperson (Mr. Rose): Municipal Advisory and Financial Services: 5.(c)(1) Salaries.

Ms. Wowchuk: I guess I am one up ahead. Not Salaries, let Salaries go. Sorry.

The Acting Deputy Chairperson (Mr. Rose): Item 5.(c)(1) Salaries \$1,074,700—pass; (2) Other Expenditures \$340,100.

Ms. Wowchuk: Is this the section that would cover off the conferences and the MAUM and those kinds of things? I am looking at the conference that is coming up this week in Brandon, the conference on Friday. Is this the section that it would be covered under? Not in this section?

Mr. Derkach: No, that section was covered previously. The Manitoba Community Newspaper Association conference on Friday was cosponsored by the Department of Rural Development, but we have covered that section in the MAUM section.

Ms. Wowchuk: I will come back under Salaries and ask you a few questions on that one.

I want to ask some questions on this section relating to local government districts. I had asked the minister previously and he had made brief comment earlier on his responsibility as it relates to LGDs versus municipalities, and the reason I asked the question is that municipalities make their own decisions on how they pay their staff, the amount they pay their staff, but when it comes to an LGD, the rates are set at provincial rates.

I was always led to believe that LGDs were just an extended arm of government and that the minister had more authority to deal with LGDs than he does with municipalities. Is that accurate information and are the LGDs less independent than municipalities?

Mr. Derkach: Mr. Acting Deputy Chairperson, there are several differences between LGDs and municipalities. First of all, with LGDs, the minister approves the by-laws, which is not the case for

municipalities; secondly, with the LGDs, the minister also has to approve the funding expenditures for all LGDs, where that is not the case for municipalities.

Also, with regard to what we term resident administrators, who perform the similar functions of a secretary treasurer in an R.M., the minister also has the responsibility to appoint that individual who is the representative of the Department of Rural Development.

Ms. Wowchuk: If there are major expenditures being made by an LGD, does the LGD have the ability to spend that money without ministerial approval the same as a municipality or does the LGD have to come to the minister for approval? For example, if they were spending money out of reserves, would they have to get approval? Is a plan then put in place by government to replace that money into reserves?

* (2120)

Mr. Derkach: Mr. Acting Deputy Chairperson, it is true that before an LGD can access funds from a reserve, they have to have the approval of the minister, and it is usually through a delegation-of-authority process that it has been done in the past but, yes, it is true that they have to seek approval from the minister for that.

Now, I should also mention, that is true, that with municipalities, they also need a written approval from the minister to expend monies out of their reserve as well.

Ms. Wowchuk: Does the same apply to municipalities and LGDs for replacing their money back into reserve? Is it by law that they have to put that money back into reserves?

Mr. Derkach: Yes, there is a directive that is set forth by the minister where the regulations regarding replacement of reserves applies equally to municipalities and LGDs.

Ms. Wowchuk: What time frame do they look at in putting that money back? If they are spending, say, \$100,000, how do you figure out how many years they have to pay that money back, to recollect that? I am trying to look at the amount of taxes that would have to be collected to pay it back.

Mr. Derkach: Mr. Acting Deputy Chairperson, what we do as a department is try to undertake an assessment, if you like, of the particular jurisdiction and then work out the details of how that reserve will be replaced with that jurisdiction. Now, for some, it may be that it does not take as long a period of time

as it does for others, but that is basically something that is worked out between staff of the department and the local LGD.

Ms. Wowchuk: Just on to another section on Other Expenditures. It says in here, this section includes increased funds of \$126,000 to cover the cost of the Headingley initiative. What was the Headingley initiative? Is that the study the minister had said earlier that there was no money spent from this department on the Headingley separation at this point? What is this money for?

Mr. Derkach: Once the R.M. of Headingley is set up, there are going to be certain expenditures that have to be incurred in order to get them incorporated and properly set up. They are such things as: election expenditures, something the department is doing right now in terms of revising the election lists and the enumeration, if you like; the office space, of course, there is a cost to that for the council chambers; there is purchase of office equipment, council indemnities and remuneration; all of those kinds of things such as fees for joining organizations and legal fees, office expenditures such as maintenance and utilities, insurance, et cetera. All of those costs have been tabulated for Headingley and the best estimate we have is that it will cost us \$126,000.

Ms. Wowchuk: Is it anticipated that will be recovered money, or is that money that the department will put up to have a new municipality established?

Mr. Derkach: Mr. Acting Deputy Chairperson, I think the intent of this is that we will be able to recover a large portion of it, but again, this is not something that we do every day. Therefore, it is going to take some negotiation and discussion with the new council once they are elected. It is our intention to recoup as much of that money as we possibly can.

Ms. Wowchuk: If I could go back one step to the issue if LGDs. The minister has had a very sensitive issue raised with him, and I have raised it with him with regard to LGDs, and that in particular is the LGD of Mountain and the vote they had to move their office.

I know the minister has had several letters asking him to deal with this matter, and we all believe in the democratic process, so it is a difficult situation. I want to ask the minister, how is he responding to the many people who have written to him on this issue?

Mr. Derkach: Mr. Acting Deputy Chairperson, I have not had a great number of letters that have been written individually to me. If I were facetious, I would say I will wait for the advice of the local MLA, but I will not say that.

It is a sensitive issue. The LGD of Mountain held a referendum, if you like, on it, and it was decided through that process that there were more people who wanted the office located in Birch River, I believe it is. As you indicated, you believe in the democratic process, and it is something that we strongly believe in.

How they got into the situation of a vote on it, I am not sure because that happened before I was the minister or during the transition period. I guess the discussions were going on and then they had their vote, but it is not something that was brought to my attention that they were going in that direction. I do not know what I, as a minister, could do about it if the will of the people of that LGD is to go in a certain direction. It is the people of that LGD who, in essence, are going to have to live with that kind of decision.

Ms. Wowchuk: I guess from this transpires other plans of people within the LGD, and I want to ask the minister a hypothetical question that could apply to any municipality. If a municipality, if people within a municipality, were not happy with a decision and decided that they wanted to go it on their own, so to speak, then who makes that decision on redrawing boundaries. What is the process?

Mr. Derkach: This once again becomes a fairly sensitive issue, but it is one that would be dealt with straight up. I would say that if the appeal is made to me as minister, I would refer the matter to the quasi-judicial board that is set up, and that is the municipal board, who would then study the matter and make the decision on whether or not to allow such a thing to happen, but I might say this is once again something that does not happen very often. I am hoping it does not happen in this case, and I will be looking at working closely with the member for Swan River to ensure that we handle this in the most appropriate and the most logical way we can.

Ms. Wowchuk: I guess it is very difficult. It is my community, and it is an LGD that I served on for many years and one that I enjoyed working with. I would hate to see it separate or broken up but, because things have gotten to the point where they have, where they were allowed to take something like this to a vote, and I do not know whether there

was any way that it could have been prevented, I look forward, as the minister has said, to working with the minister on trying to resolve this situation and coming up with the best possible solution that will work for the people of that area, but it is not an issue that is going to go away easily.

There are some very hard feelings about what has happened. I am not sure how we deal with it, but I think that the minister should be aware of what is happening. There are possibilities of people approaching the minister on this matter of how then do the people on the south end of the constituency get the best service.

Mr. Derkach: Just a comment, Mr. Acting Deputy Chairperson. I can appreciate the sensitivity of the issue. Indeed it is not one that I think is going to go away overnight, I agree, but indeed we have to allow the will of the people in the community to prevail. If we keep that as sort of the main principle, I think the process will unveil as it should.

The Acting Deputy Chairperson (Mr. Rose): Item 5.(c) Municipal Advisory and Financial Services: (2) Other Expenditures \$340,100—pass.

Item 5.(c)(3) Grants to Municipalities in Lieu of Taxes \$34,186,200.

Mr. Gaudry: There is an increase there. Are the grants to the municipalities details available to the members?

* (2130)

(Mr. Deputy Chairperson in the Chair)

Mr. Derkach: The member asked for a fairly complicated and detailed—well, not a complicated, but a very detailed list, and I think there is something in the neighbourhood of 7,000 or 8,000 properties that the department gives grants in lieu of taxes on. I am not sure that the member really wants that.

Mr. Gaudry: Is it public information?

Mr. Derkach: Mr. Deputy Chairperson, this has never been asked for in a public sense, but it is a fairly complex way of dealing with it, because it is all done on a voucher system. So one would have to pull the vouchers, if you like, and then try to compile a list and make it available in that form. But we have never been asked as a department to make that kind of listing public.

Ms. Wowchuk: Mr. Deputy Chairperson, is it all right to ask a question on taxation of leased land in this section? Is this the section where we can deal with taxation? [interjection] Yes, this is grants in lieu of taxes, but this particular line has no grants on it.

Mr. Deputy Chairperson: Go ahead.

Ms. Wowchuk: I would like to ask a question on taxation on Crown lands. There is an issue that has surfaced many times between municipalities and LGDs with regard to land being leased for residential, not agricultural land. They live on this land; they do not pay agricultural tax, but the municipalities do not have the ability to enforce the collection of this tax on Crown land. The people who live on this Crown land have the services provided by the community, by local authorities, but local governments do not have the ability to collect this tax. I know that it is an issue that has been raised to me; it is an issue that I have tried to raise through a private member's bill, but I cannot deal with it because it is dealing with money. Municipalities cannot collect the taxes. How can this issue be dealt with?

Mr. Derkach: Mr. Deputy Chairperson, this is a difficult issue because of the fact that Crown land is not something that is owned by the individual who lives on it or squats on it or whatever. There are, I guess, in the province some squatters on Crown land; therefore, it makes it very difficult to try and collect taxes on property that the individual does not own. It is a dilemma—agreed, but one that has not been resolved at this point in time.

I do not really know how we would even begin the move to try and resolve the issue, because there are so many different configurations: there is farmland, Crown land, leases; Northern Affairs has numerous ones. It is not a simple task of trying to simply tax Crown land, because Crown land is owned by the province. The individual who operates it or who uses it probably in some way, shape or form may pay some lease on it, but it is not a tax.

Ms. Wowchuk: This is to do with Crown land residential tax arrears. They have residences on Crown land; they are on a tax roll, but there is no way that municipalities can collect it. They do not have any teeth in the legislation, so to speak. Has the minister ever looked at this? Is there a way that the legislation can be amended to give some power to the municipalities? I know that this has been raised at MAUM conventions; there have been resolutions passed on it. It is an issue for many municipalities.

Mr. Derkach: Mr. Deputy Chairperson, this has been looked at, I think, not just in the time I have been there, but for many, many months or years, if you like. It is a very detailed and complex issue,

because it not only involves this department but involves departments like Natural Resources, Crown lands. Therefore, different jurisdictions would have to be responsible for collecting these taxes. How you impose a tax on that and how you collect it is certainly a dilemma. I can truthfully say that, in the short time I have been in the department, we have not treated this as one of the priority items to this point in time. Indeed, it is one that may need some attention in the future.

Mr. Deputy Chairperson: Item 5.(c)(3) Grants to Municipalities in Lieu of Taxes \$34,166,200.

Mr. Gaudry: Yes, I asked the minister also, what was the increase of roughly \$1 million?

Mr. Derkach: Mr. Deputy Chairperson, that represents an increase of about 3 percent, which is the general increase on anticipated vouchers and that sort of thing.

As the member knows, that new building that sits just down the street here, the new Remand Centre, is going to be one that is going to impact on this particular line, because there will be a grant in lieu of taxes for that facility, and the amount there will be something in the neighbourhood of \$650,000. It is items of that nature, new acquisition of buildings and that sort of thing that will drive the cost by that amount.

Mr. Deputy Chairperson: A formal vote has been requested in the Chamber, so at this time I would ask the committee if we could recess and then come back after the vote. The committee is recessed until after the vote.

* * *

The committee took recess at 9:38 p.m.

After Recess

The committee resumed at 10:05 p.m.

Mr. Deputy Chairperson: Order, please. Before recessing, the committee was dealing with 5.(c) Municipal Advisory and Financial Services: (3) Grants to Municipalities in Lieu of Taxes \$34,166,200—(pass).

Mr. Gaudry: I will pass on that.

Mr. Deputy Chairperson: 5.(c)(4) Transit Grants \$1,306,100.

Mr. Gaudry: Can I have a detailed account of what consisted of Transit Grants and where they go?

Mr. Derkach: Mr. Deputy Chairperson, there are three communities in Manitoba who receive grants

for bus operations or transit. They are Brandon, Flin Flon and Thompson.

Additionally, there is a mobility-disadvantaged grant that is allocated. That goes to various communities around the province. They use those grants for such things as the handivan in various communities. I guess last year we had a total of 42 communities who received grants under this system.

The maximum grant that can be received under this is \$20,000. It was implemented by my colleague.

Mr. Gaudry: The increase of roughly \$60,000 would be a general increase also?

Mr. Derkach: Yes, it is. It is a 2 percent increase and it is just a general increase.

Mr. Gaudry: Mr. Deputy Chairperson, you said mobility grant for communities other than Thompson, Flin Flon and Brandon. Could you explain what the mobility grant is?

Mr. Derkach: That is the grant which is the mobility-disadvantaged grant for people who are mobility disadvantaged, if I can use that term. The start-up grants, to a maximum of \$6,000, are given out and then there is an operating grant which is given out to an equivalent of about 37.5 percent I believe it is, of the operating expenditures to a maximum of \$20,000 annually. As I indicated, there were 42 communities last year that received that support.

Mr. Gaudry: Mr. Deputy Chairperson, it goes direct to the community and not into a municipality, as such, where there would be more than one community involved.

Mr. Derkach: It goes through a municipality. All grants are made through municipalities, but in some cases it is not the municipality that operates the Handi-Transit program. It could be an organization within that municipality.

Mr. Deputy Chairperson: The hour being after ten o'clock, what is the will of the committee?

An Honourable Member: Continue.

Mr. Deputy Chairperson: The honourable member for Swan River then will carry on.

Ms. Wowchuk: I want to get back to ask a couple of questions on the handivan transportation service. I understand that this is a service provided to the communities very largely by volunteers, a lot of volunteer boards that keep these services in the community, and that there has been each year a

conference held for the volunteer boards, but this year that conference has not been held.

I want to ask the minister if that conference has been scheduled, if it has not been scheduled, why is that being eliminated? I understand in talking to the volunteers, that this was a good place for them to gather. It was an important function for them to share their experiences in running the handivans and they were quite disappointed that the conference was not on. I want clarification. Has it been on or is it not on?

Mr. Derkach: Mr. Deputy Chairperson, there will be a conference this fall. It is an annual conference. We have an advisory body that is made up of people who have an interest in mobility-disadvantaged persons, and indeed, they are the ones who co-ordinate, if you like, the conference along with staff from our department.

I have met with Mr. Enns, who represents one of the groups that sits on the advisory committee, and I have also met on a couple of occasions with Mr. Murphy, who is the chair of that committee.

* (2210)

I have to say that I was very impressed with the attitude of these people towards trying to do things for themselves. They are indeed people who are very proactive, in a sense, in providing services for people who are mobility disadvantaged. As I understand it, they are trying to shift some of the thrust of their conference to involve more people who are mobility disadvantaged, and I understand that is being worked on now. That conference will go on this fall.

Ms. Wowchuk: I am pleased to hear that conference is going on, because as I say, there were people who were concerned that it was not.

What would have caused the confusion, I want to ask the minister. Was the conference normally held in the spring and has been changed to the fall? Is that where the people got the impression that this was a service that was being cancelled to them?

Mr. Derkach: Mr. Deputy Chairperson, it is true that the conference was usually held in the spring, but it was always the same format, I believe. The chair of the advisory committee thought that by perhaps changing the emphasis a little bit on the conference and also the participation, not to exclude anybody, but to include more perhaps, that they would prefer to have that conference in the fall.

What caused the confusion, I cannot say. Anything I would say would be speculation, so I do not know the answer to that at all.

Ms. Wowchuk: Perhaps it might be a good idea then to contact some of the organizations, the handivan people, who are traditionally attending these conferences and let them know that the conference is going to be on in the fall. There has been some concern that the service was not going to be provided.

Mr. Derkach: Yes, that is possibly good advice. If there is some confusion there, we will make sure that people in the various interest or stakeholder groups will get that message.

Mr. Deputy Chairperson: Item 5.(c)(4) Transit Grants \$1,306,100—pass; (5) Centennial Grants \$14,800—pass.

5.(c)(6) Police Services Grants \$1,400,000.

Ms. Wowchuk: Mr. Deputy Chairperson, we have had discussion on policing grants before, and the minister knows that we are disappointed that a decision has not been made to proceed with the recommendations that were made by a study group on changing. Municipalities and towns were concerned because they were setting their budgets and they expected that they were going to get a change after the budgets were set.

The minister has indicated that there is going to be another committee struck I believe to deal with this policing issue, and I guess I want to just ask the minister: When can we expect that this issue will be finally resolved and we will have a decision made?

Mr. Derkach: Mr. Deputy Chairperson, this has already been addressed. As the member knows, in January I was handed a report that was done by a former RCMP Commissioner, I believe, or Director of Law Enforcement, Mr. Hill, in conjunction with members from UMM and MAUM. Were there any other stakeholder groups represented? No, there were not.

The recommendations were not one, there were several in the report. To try and make some sense out of it, we decided that we should probably strike a group of representatives from the two associations, MAUM and UMM, plus the Department of Justice and ourselves who would work together as a team to make recommendations to us about the approach that should be taken on a long-term basis.

That working group is being set up now by staff from my department. I think Mr. Roger Dennis is one of the key people in that in setting it up and is certainly working very proactively in setting up this committee. They will then make some recommendations to us as to what would be an equitable way of paying for policing costs in both rural and urban municipalities outside the city of Winnipeg.

That report is due at the end of August. At that time I am hopeful that there will be some solid recommendations so that we can simply implement them as they are recommended to us but, again, that is not a guarantee, because there is still a lot of work to be done in that regard.

Ms. Wowchuk: Mr. Deputy Chairperson, again on policing costs, I want to refer to a newspaper article that was in today's paper I believe. I do not have the article with me, but it is related to volunteer policing in the community and calling for volunteers who will serve as what appears to be the old-fashioned town constable that used to be in place.

Is that something that people who are doing this study are looking at, or is that a recommendation that is going to be made? Is the Minister of Rural Development (Mr. Derkach) in support of an idea where you would have volunteers handling a very important issue such as policing?

Mr. Derkach: Mr. Deputy Chairperson, that has not been brought to my attention specifically. Neither has that recommendation at this point in time. I am told that this could be an initiative of the RCMP, certainly not of Rural Development or of any body that I am familiar with. We will be watching it with interest I guess, but it is not something that I would move on without doing a great deal of study and thought and consultation on.

Ms. Wowchuk: Mr. Deputy Chairperson, it gives me some satisfaction to know that is not something that this minister is looking at. As I say, I feel that policing is just as important in the rural area, and in fact sometimes a much more necessary service than in some of the urban centres, and I do not believe that we should be looking at volunteers to handle those kinds of things for us.

I look forward to the report and the recommendations that this committee comes up with and hope that we can resolve the whole policing-cost issue that has been facing us for some time now.

Mr. Derkach: Mr. Deputy Chairperson, I might say I am looking forward to the support of the two opposition critics with regard to resolving this matter once and for all.

Mr. Deputy Chairperson: Item 5.(c)(6) Police Services Grants \$1,400,000—pass.

Item 5.(c)(7) Municipal Support Grants \$946,300.

Mr. Gaudry: Mr. Deputy Chairperson, could the minister give us the reason for the substantial decrease from last year? Offloading to the municipalities?

Mr. Derkach: I guess I go back to my old Education days to answer this one. When the Ed finance formula was implemented, there were 13 municipalities that had impacts of greater than 10 percent, I believe was the threshold. There was a decision made at that point in time that there would be a phase-in to allow those municipalities to ease a burden if you like in those municipalities. There were 13 municipalities, I believe, that were receiving this grant. That grant has now expired and for that reason we see the support grants decreasing by that amount.

Mr. Gaudry: Mr. Deputy Chairperson, if at that moment this money was required, what has happened since then? Was this for special programs in Education?

* (2220)

Mr. Derkach: Mr. Deputy Chairperson, the money was put aside as phase-in money. In the first year we would phase in something like 50 percent of their costs; in the second year we would phase in something less, 25 percent, and then it would be phased out completely and municipalities would pick up the cost. It would give them basically three years to adjust their costs.

Mr. Gaudry: So eventually we will see that there will be no more support grants for these municipalities.

Mr. Derkach: It is just that phase-in portion that was set aside that is going to be phased out. The other Municipal Support Grants will remain.

Mr. Deputy Chairperson: Item 5.(c)(7) Municipal Support Grants \$946,300—pass.

Item 5.(d) Research and Systems: (1) Salaries \$856,200—pass.

Item 5.(d)(2) Other Expenditures \$1,978,200.

Mr. Gaudry: The last item, 5.(d), Mr. Deputy Chairperson, there is a substantial decrease in

Other Expenditures and not as much in the Salaries. Could you explain the decrease in Other Expenditures?

Mr. Derkach: As the member knows, over the period of four years, I believe it was, or three years, there was an associated cost with the implementation of a new computer system in Rural Development. That system has now completely been installed. I think it was initiated by my former colleague to begin with. It is now complete, and so that expenditure no longer shows up in the line.

Ms. Wowchuk: I just want to ask briefly on the new agreement that has been signed with the Brandon—

Mr. Deputy Chairperson: Order, please. Could I ask the honourable member to bring her mike forward.

Ms. Wowchuk: The notes here say there has been a decrease in grants to Brandon Rural Development Institute. Can the minister tell us what has changed, where the funding is now going to come from for Brandon institute or what has happened there?

Mr. Derkach: There is no reduction in the grants paid to the Rural Development Institute. It is just an accounting procedure, I suppose, that has been put in place in terms of the fiscal year, which means that the line does not show the full amount. In essence, it is a commitment of the same amount of money that was committed to in the beginning, in the first three-year agreement.

Ms. Wowchuk: Just a brief question on the Brandon institute—that comes under a later line in the budget, does it, or is this a point where I can ask a question?

Mr. Derkach: Was there a question?

Ms. Wowchuk: Yes, I have a question, but I am wondering whether it is okay to ask it at this time.

What is the total budget for the Brandon institute?

Mr. Derkach: The grant to the RDI from the provincial government is \$100,000 per year. It is a three-year agreement. They in turn receive money from private donations and other institutions for about the same amount on an annual basis.

Ms. Wowchuk: I want to ask the minister if he feels the investment of \$100,000 is a worthwhile investment into research. What is the benefit of the Rural Development Institute or the work that they do for the Department of Rural Development? What do they do for rural Manitobans that helps us enhance life or improve the quality of life, improve the quality

or the opportunity for development? What are the benefits to the rural community for this investment?

Mr. Derkach: Mr. Deputy Chairperson, I think this Rural Development Institute that was set up three years ago now has proved that it is a very successful institution for rural Manitoba.

Several projects have been worked on, and I cannot list them at the present time, but there are some significant studies for towns that were done. I think there was one done for Neepawa. There was another one done for the Village of Rossburn, if I am not mistaken, or one that was worked on in conjunction with the Village of Rossburn.

What they do is assist rural communities to look at themselves to see where their strengths are. They will set up models for business opportunities in communities. Also, they look at not just the economic issues, but they will look at the social issues as well, the educational issues that may be prevalent in a community that need to be looked at.

A lot of research goes into trying to find ways of revitalizing the rural economy in communities outside of the city.

Ms. Wowchuk: If the money comes from Rural Development to fund the Rural Development Institute, does the institute do work or research for other departments, or do they answer to the Department of Rural Development?

I guess I want to know, do they look at things like child care in the rural area or quality of life or income level? Who are they responsible to? Is everything channelled through Rural Development? Who is responsible?

Mr. Derkach: They do not answer to the Department of Rural Development except through an annual report, I believe, that is going to come to us from them.

We have restructured the agreement this year. Under the stewardship of one of our staff, Marie Elliott, and in working with the Brandon Rural Development Institute, we were able to tighten up the agreement somewhat whereby it can give us some feedback on an annual basis.

The Rural Development Institute does not answer to us. It does work for not only our department, but for other departments and communities. It is a matter of us giving them the grant and then looking at what kind of productive work they do for us. We do the analysis, we do the assessment, and then we go from there.

Ms. Wowchuk: It sounds to me like some of the work they do could tie in with round tables and those kinds of studies.

(Mr. Jack Penner, Acting Deputy Chairperson, in the Chair)

Do they do any work or are they directed by the department to work along with the visions for communities after they are presented to government? Are there any services that they provide in that area?

Mr. Derkach: The Rural Development Institute, through its research activities, puts together data, statistics that can be used by communities when they establish their round tables. So in that sense, the institute itself does a fairly high level in technical research on a variety of fronts, whether they are health care, social issues, economic issues.

In rural Manitoba, you could talk about water trends, agricultural issues and municipal sewer and water. They can do all of the research for these communities, put the data together, and then allow communities to access that data when they make some decisions about the direction that they want to expand and grow in.

The Acting Deputy Chairperson (Mr. Penner): Item 5.(d)(2) Other Expenditures \$1,978,200—pass.

Resolution 118: RESOLVED that there be granted to Her Majesty a sum not exceeding \$48,013,900 for Rural Development, Local Government Services Division, for the fiscal year ending the 31st day of March, 1993—pass.

Item 6. Rural Economic Development Division (a) Executive Administration: (1) Salaries \$96,300—pass; (2) Other Expenditures—

Mr. Gaudry: Slow down, slow down, lots of time.

There is an increase in salaries—and no increase in staff—by some \$24,000. Can I—

Mr. Derkach: Mr. Acting Deputy Chairperson, this is the section that I went on at length by error before, so it is the same answer. The increase in salary here is the reclassification of the ADM position.

The Acting Deputy Chairperson (Mr. Penner): Item 6.(a)(2) Other Expenditures \$24,000—pass.

6.(b) Infrastructure: (1) Salaries \$1,218,900—pass; (2) Other Expenditures \$290,900—

* (2230)

Mr. Edward Connery (Portage la Prairie): Is this the area of Infrastructure where the assistance to

southern Manitoba to do their water study—is this where the money came from for that?

Mr. Derkach: Mr. Acting Deputy Chairperson, that money is allocated in the Expenditures Related to Capital, but if the member wants to ask some questions with regard to that, he may.

Mr. Connery: It was through this particular department that the money was allocated for the study for the Pembina Valley task force?

Mr. Derkach: The Department of Rural Development extended such services as staffing and administrative services, but there was no particular lump sum of money given from this department for the Pembina Valley study.

(Mr. Deputy Chairperson in the Chair)

Mr. Connery: Can the minister tell us the value of that assistance that was given?

Mr. Derkach: Although I may be corrected, it appears that it would have been around that \$50,000 mark in terms of what services were provided.

Mr. Connery: Is that over and above—and I am trying to remember the figure. Was it \$500,000 that was given? What was the figure that was given? Natural Resources come into this also. Was there any cash grants, or just technical services staff and so forth that were given to the Pembina Valley project from your department?

Mr. Derkach: Mr. Deputy Chairperson, from this department there were only the technical services that were provided to the Pembina Valley group. There was no cash given from this department. What was given from Natural Resources, I am afraid I could not tell you.

Mr. Connery: In assisting communities, and I do not have any difficulty with that—do not get me wrong—but in giving that sort of technical assistance, do you determine beforehand whether or not there is a supply of water available to make use of those services once they are engineered?

Mr. Derkach: I am advised, Mr. Deputy Chairperson, yes, that determination is made beforehand.

Mr. Connery: Who made the determination?

Mr. Derkach: With all the fireworks going on outside, Mr. Deputy Chairperson, it was hard to concentrate.

To answer the question of my colleague, the Natural Resources staff. The engineers and staff, I

guess, of the Department of Natural Resources would have made that evaluation and assured that there was an adequate supply of water available.

Mr. Connery: The project is now being submitted to an environmental study to have the Clean Environment Commission determine whether or not there is adequate water in the Assiniboine River to do that diversion.

Of course, there is a lot of speculation from people along the Assiniboine River that there is not enough water to do it at this time. When even the pumps to divert water into the Mill Creek, La Salle and Elm River were shutting off on low flows, and even PFRA were scrambling in the bottom of the Assiniboine trying to build up little dikes to force water to those particular pumping stations, we had some difficulty.

As you know, coming from the Roblin-Russell area, the Shellmouth is where the water is going to be held; yet, the Shellmouth was built as a flood protection unit, and so it creates some problems. My concern is going to that extent, did we put the cart before the horse in this particular case, or is it normal to do the infrastructure and then to look for the source to assure a source of water for it?

A lot of money was spent. I guess what I would have thought maybe we would have determined the source and if there was adequate source available, then to have done the engineering studies and spent the money at that time. If the Clean Environment Commission determines there is not adequate water, then either they have to abandon the project and the costs that have been put into it, or they have to look for another source of water.

Mr. Derkach: Mr. Deputy Chairperson, I guess I am being asked some questions that I do not have the answers to because they are not part of this department. The water studies in terms of the availability or source of water was done by a different department so there is no way that I could determine whether or not the cart was put before the horse, to put it in my colleague's words. I guess those questions could best be put to the Minister of Natural Resources (Mr. Enns) because there is no way that I would have that information.

Mr. Connery: Will Rural Development be part of the funding of the project if it gets a green light?

Mr. Derkach: Mr. Deputy Chairperson, I am told that if in fact the Clean Environment Commission were to approve that, then we would as a department be responsible for a third of the cost of the project.

Mr. Connery: When you are talking a third, you are talking a third province, a third federal and a third municipal, is that the breakdown?

Mr. Derkach: Yes, that is correct.

Mr. Connery: So I guess we are a year too soon because the project has not been approved. You would have to have approval of that money in a subsequent year through the Estimates process before money could be expended, or could it be done through cabinet and through Treasury Board?

Mr. Derkach: No, it would be done through the normal process and would have to be accommodated for in a given year.

Mr. Connery: Has there been a commitment to the Pembina Valley Water Task Force to indeed go through with the project?

Mr. Derkach: No, there has not.

Ms. Wowchuk: I just want to ask about another project and that is the Mafeking water project. I want to ask the minister what the status of that is. I know work has been done and I believe the well was dug. At what point will it be that people of that community will have the long-awaited water in their homes?

Mr. Derkach: Mr. Deputy Chairperson, I guess I am happy to report that the pipeline is in. They will be doing the connections and working toward completion of the project.

Ms. Wowchuk: I am happy to hear that as well. I am pleased to hear that project is near completion. This was a long-awaited water supply and I am glad that it has come to fruition.

* (2240)

Mr. Deputy Chairperson: Item 6.(b)(2) Other Expenditures \$290,900—pass.

Item 6.(c) Economic Development Services: (1) Salaries \$704,900—pass; (2) Other Expenditures \$64,000.

Mr. Gaudry: Is this where we ask questions on the Rural Development Bond Program?

Mr. Derkach: Mr. Deputy Chairperson, the questions for the Grow Bonds Program are probably more appropriately asked under Section 8.(a).

Ms. Wowchuk: This is the section where we deal with Regional Development Corporations, am I correct?

Mr. Derkach: Yes, it is.

Ms. Wowchuk: Last year we saw a cut in support for Regional Development Corporations. We hear

this government and this minister making commitments that we want to see growth in the rural community. Earlier on he talked about the Regional Development Corporations playing a role in the results of the round tables and working along with communities. What has happened to the funding for the Regional Development Corporation? Has it stayed at the level that it was? Has there been an increase? Is there still the commitment to have Regional Development Corporations work with the communities as was the commitment by previous governments?

Mr. Derkach: I will not go so far to say, as was the case with previous governments, because I believe it was my colleague who was able to establish that funding to the Regional Development Corporations would be increased to the level of a 75/25 percent split, whereas it was at a 70/30 percent split. Indeed, the sharing has been more in favour of the various organizations or development corporations.

In essence, there has been a victory for Rural Development in that sense. Also, a new development corporation has been added, which is the Westman Economic Development Association, and again there was some \$93,000 of grant money allocated for them. There was an increase this year.

Ms. Wowchuk: I am glad to see that the increase is there and that we are going to have the support. As the previous minister just indicated, he did cut the funding and then did bring it back. He redeemed himself by putting the services back for the rural communities.

Mr. Derkach: Mr. Deputy Chairperson, I have to be very thankful to my colleague who was in charge of this department before for seeing fit to argue very strongly for an increase in this area and also to maintain a fairer split for the Regional Development Corporations. Whereas it was at 70/30, it is now at 75/25 percent. I guess I would have to say that the Regional Development Corporations were very, very happy with the grants this year.

Mr. Connery: What was the previous, when you go back to previous one, two, three years in the total grants to the RDCs in absolute dollars?

Mr. Derkach: In 1990-91 \$647,300; in 1991-92 \$503,200; and in 1992-93 \$596,200.

Mr. Connery: Unless I missed a figure, did I see a decrease or was there an increase each year? Reread those figures going back.

Mr. Derkach: No, Mr. Deputy Chairperson, in 1990-91 the grant total was \$647,000. It was reduced in 1991-92 to \$503,200, and increased in 1992-93 to \$596,200.

Mr. Connery: So we are still behind in the total funding even though we have had some increase in costs. What about the new RDC that has come on stream? Is there additional funding for it, or will that be taken out of the pot that the other RDCs were sharing?

Mr. Derkach: Mr. Deputy Chairperson, there was \$93,000 of new money put in for that RDC. Again, this department was not immune to some of the realities that had to be faced by other departments between the 1991 and 1992 year, and we saw a decrease. This year we are able to maintain and also add the new RDC to it, so slowly we are starting to go the positive way, and I am hopeful that we can continue in the future.

Mr. Connery: But there is less money and an extra RDC to be funded out of that money which means that some of the existing RDCs would have to be cut back in essence from the year before?

Mr. Derkach: No, there are no RDCs that will be cut back one penny from what they had before. Mind you, that has to be sorted out with their budgets and that is done on an individual basis, but the \$93,000 was new money that was added to it.

Mr. Connery: Does that go to the new RDC?

Mr. Derkach: Yes, it does.

Mr. Connery: So the other RDCs really yet then are receiving less money than they did three years ago in actual terms?

Mr. Derkach: They are getting less money than they did three years ago, it is true.

Mr. Connery: It seems to me it was four years ago that we promised to put large additional amounts of money into the RDCs and to create business offices in those RDCs. Has that thought been cast aside, or are we still looking at fulfilling that commitment?

Mr. Derkach: Mr. Deputy Chairperson, I have not been in the department all that long, but I can tell you one of the initiatives that I can see being undertaken in the department is a review of our delivery mechanisms in rural Manitoba. Because right now we do not only have RDCs out there, we have our Community Choices, our round tables, we have economic development boards; we have Community Futures. All of these groups are trying

to do many of the similar things and some of the responsibilities overlap.

I think that RDCs, particularly in the Pembina Valley, the Central Plains area, have done a marvelous job in terms of the support that they have given the communities and the work that they have done in attracting businesses to the communities and to the province. I see those as very healthy, very strong bodies. We should not be trying to reinvent the wheel in other areas; we simply should be learning from those who have had some success.

Certainly we intend to do that as a department to capture the successes of others and learn from their experiments, if you like, or some of their mistakes, and not duplicate them and perhaps form closer links with them whereby we as a department are not duplicating some of the things that they have already done. That is all in the future, and, indeed, I intend to be working fairly close with all the RDCs, more particularly with those that have had some success. Again, the two that I had mentioned are certainly examples of very successful RDCs.

Mr. Connery: I do not recall if I got a clear answer on the business offices in the RDCs that was committed. I think it was three or four years ago and it was in the throne speech or budget speech three years ago to increase the funding to the RDCs and to incorporate business offices into them. Is that being permanently discarded?

Mr. Derkach: Mr. Deputy Chairperson, I am not familiar with that aspect and that is something that I will look into, but there is no commitment at this point from this budget year to do that.

Once we have done the review of the delivery mechanisms, that may in fact be a very strong recommendation. In doing this review, we will certainly be consulting with them to establish how we can better address some of the needs of our rural communities.

* (2250)

Mr. Connery: It is my understanding that some of the criteria in the funding formula has been changed. Can the minister explain the different criteria and—oh, yes, there is a change in the criteria.

Mr. Derkach: Could I ask for clarification? Is the member talking about a change in the approach, a change in the funding formula criteria, or a change in how we allocate the money?

Mr. Connery: It is to do with who would be putting money in as far as the 75/25 goes, and who would be part of that funding. I think now it is just the R.M.s that are part of that funding, and it is going to make it virtually impossible for some of them to get the maximum government assistance and also the new one that was created. I think they have said openly already that they cannot meet the criteria that is set down in the funding formula.

Mr. Derkach: Mr. Deputy Chairperson, the intent of that change was to ensure that we are not supporting 75 percent of a picture where the other 25 percent is made up of other government-source funding.

It is for that reason that there was a change made with regard to allowing the monetary contributions of associate memberships, if you like. Now that is still in a discussion stage with the RDCs, and staff are working with RDCs in attempting to resolve it.

Mr. Connery: There is the funding to the individual RDCs and then there is the funding to the overall association of RDCs, and it was under that particular funding where the managers got their pension plans and so forth. It is my understanding that was cut back and that there is no pension plan now for the managers of the RDCs. Am I correct in that assessment?

Mr. Derkach: The funding grant to the associations was curtailed two years ago, a year ago, last budget, and indeed there was funding used for building up a pension fund out of that which my understanding is—and I was not part of it—that is not what the association fund was set up for and so there are still discussions going on.

As a matter of fact, I met with Mr. Meyer in Winkler, I believe it was, and I have received a letter from him now explaining what their function was. But for this year, there is no budgeted amount for that grant that was given to the association. It is something that we are going to have to sit down and talk to the association about and see whether we can resolve the matter.

Mr. Connery: Is it the department's thoughts to use Rural Development officers in various communities in place of RDCs? We have Rural Economic Development officers in communities where there are also RDCs. What are the thoughts of the minister and the department on the ability of individual Rural Development officers to be as effective as the RDCs who encompass the various communities and, yes, there are a lot of elected

people on it. There also are business people on, which bring the community thrust into it and bring the community involvement, where when you have an individual from the RDC department being in a community such as Portage or Brandon or Dauphin, Swan River, in the past, when I, T and T has attempted to have development officers in a community, it did not work. It was not the community involvement, even though they were good people. I know we had one in Portage, and the individual was an excellent person, but eventually I, T and T pulled that person back into Winnipeg.

I guess the concern that I have is: Are these people going to be able to do the function, and should we be duplicating the function? Also, are these officers who we have in the communities economic development officers, or are they community planning officers as you have, and I think her name is Jane Pickering, in Portage—is that the correct name?—who is a planning officer, not an economic development officer. Now we see some thrust to have her become somewhat involved in the economic side.

People who have grown up in their vocation as being planners do not immediately become economic development officers. It creates a problem. I have been very involved with it in that sense in the Portage community and so know of some of the difficulties that that does present.

Mr. Derkach: Mr. Deputy Chairperson, I guess there are some development corporations. I do not know if they are all that way, but there are some that are quite sensitive about their role in the community, and they feel it is their territory and their domain.

Our attitude is that the development of communities has to come from within and that it is a partnership approach that has to be used in the development of a community. Our economic development officers who are in our Community Development offices, some of them, yes, of course, they are planners; they are existing staff who were in the department before. They have undertaken new responsibilities, and we intend to spend some money and spend some time training them in the economic development field. It is not an impossibility.

There is no school, per se, and there is no diploma program. There is no degree program, I suppose, that I can recall that is specifically geared to graduate an expert development officer. There are

a variety of schools where they have business management programs and that sort of thing.

So we are going to ensure that these people can access programs that will assist them to make the transition from their work that they did before to a new role. The department has an important stake in all of this. We have the tools, if you like, to be able to have those opportunities accessed. We have our Grow Bonds office; we have our Community Development offices; we have a REDI program.

These community development officers who are scattered around the province—there are nine of them—are going to be very active in talking to the communities, working with municipalities, working with the RDCs, working with a variety of interest groups, working with private entrepreneurs, to assist them in, first of all, knowing what our programs are about, knowing how they can best utilize them and knowing where our strengths are in our various communities.

I indicated earlier that we are going to do a review of the delivery mechanisms that we have in the province so that we do not duplicate, in communities, services that may be performed by others. But that review will be a fairly broad one, and it will include such things as RDCs in our Community Development offices and other delivery mechanisms that might be present from levels of government in a community.

Mr. Connery: Well, I hear what the minister is saying, and if we have people, we try to train them. The training of a person into an economic development officer from a planning position does not happen by taking a six-week, two-month or six-month course in economic development. It takes several years to develop a very key economic development person; as probably in being a planning person, it takes equally, so that it is very difficult just to interchange them back and forth.

As you know, I have been rather concerned with our rural economic development, our development in all Manitoba, job creation and business development in all of Manitoba, but in rural Manitoba, I have been extremely concerned that our thrust has kind of wandered. I have pressed very hard for our Rural Economic Development Initiatives, and they really have not been strong ones.

* (2300)

I heard the member for Swan River (Ms. Wowchuk) ask: Is there really an infusion of real

government money into rural economic development, or is most of it coming out of the VLTs and that sort of thing? I see what is happening in rural Manitoba. I see the decline of the numbers of people in rural Manitoba, and that is scary. If rural Manitoba continues to dwindle and Winnipeg continues to grow—as the minister, I think, knows, we are the only province with one city with over 60 percent of the population. This has not been healthy for Manitoba. It is the only province that is in that position, and other provinces seem to have been able to develop several centres within their provinces which have made those provinces much healthier communities.

I cannot be critical of this minister because he has just taken over the portfolio, so I am looking forward to try to impress upon the minister or to get some ideas as to the thrust that they are going. If we do not make some very rapid improvements in job creation in rural Manitoba by indeed being a government initiative to encourage businesses to locate outside of the city of Winnipeg, then we are going to have a province with 80 percent of the people in the city of Winnipeg. How will we be able to keep people in rural Manitoba? As the population declines, the school system declines, the hospital system declines, all of the services that are required by people then go downhill.

If we do not attack this very vigorously and have some real direct money put into it, then rural Manitoba will continue to decline.

Mr. Derkach: Mr. Deputy Chairperson, I guess much of what the member says may be true, and it has not been something that has evolved overnight. It is something that has taken place over the last 20 years. You cannot put a stop to something that has been there for a long time.

We have implemented several initiatives that I think are extremely positive and have been done fairly quickly. I can just name a few.

First of all, if you look at what we did with Grow Bonds, indeed, that is an opportunity for communities to have a tool to use to invest in themselves.

If you look at the REDI program that was just announced very recently, you have a vehicle there to access a variety of things; first of all, to assist communities with infrastructure problems if that is a problem for an industry locating, for a community to be able to hire for small business a fairly inexpensive consultant, who is doing good work, to do a

feasibility study and then also to access some dollars to help get it off the ground. You also have the youth business program, the Partners with Youth program.

All of these have just recently come to the fore and have been announced recently. We know that there are going to be some that may be more successful than others, but this is all an attempt to provide rural Manitobans with the tools to use to be able to, first of all, create jobs, secondly, to attract entrepreneurs into their communities.

If I could use the member's own community as an example, in the short time that I have been involved both in Education and in Rural Development, I can point to the community of Portage la Prairie as being a significant beneficiary of this government's thrust. The member is a part of that and is a very important part of that, to try and ensure that a rural community thrives, grows and prospers.

We continue to do that, and the suggestions that the member provides are excellent ones, because he identifies the fact that we have to be very careful about having one-city mentality in a province of a million people, where other centres keep dying and the one big centre keeps growing. That is a caution that I think he delivers very forcefully but very importantly. Much of what he says, yes, is true.

As he knows, I have not been in the portfolio for that great a length of time. I have been happy to announce the REDI program. There will be other initiatives that we hope to attach to the REDI program, and I know staff who are responsible are going to be working. I am not going to sit here and indicate in any way that we have the perfect solutions for everything, but indeed I am prepared to work as hard as I can with members of the opposition, with my own colleagues, to ensure that we can provide the tools for communities to grow, to prosper and to become revitalized. I would just like to conclude by thanking the member for some of his comments.

Mr. Connery: I guess I asked too many questions in my earlier preamble. I asked the question, how much of actual government general revenue money is going into rural Manitoba vis-a-vis the money collected out of the VLTs, which is rural money going back into rural Manitoba? We see other initiatives which—and in some rural Manitoba, I see some also, but it would seem to me that rural Manitoba is funding on its own a large part of the economic development where maybe some extra money

should be coming out of general revenues to be going into rural Manitoba.

Mr. Derkach: Mr. Deputy Chairperson, there is a lot of money that goes into rural Manitoba from this department or from government. I think the budget line is something like \$70 million for the department now. Of the Lotteries money, there is something like \$2.4 million that is going back into rural Manitoba that is actually generated from the VLTs. We have made a commitment that 100 percent of our net revenues will be returned back to the rural communities through a variety of programs.

Yes—I cannot give you the exact breakdown of how much dollar value goes into rural Manitoba that is generated from other than rural Manitobans. I do not know if those figures are available, but certainly I can try to get them for you. I guess government approaches—and as the member knows its whole budgeting process through historical trends and also through where our emphasis and where our needs are, we have identified that our needs are in rural Manitoba.

It is for that reason that we put in programs like the VLTs. They help in two ways: one, they help to generate some activity in our sagging hotel industry, or used-to-be-sagging hotel industry; and secondly, they provide us some revenue to be able to give back to rural Manitobans for worthy initiatives.

Mr. Deputy Chairperson: At this time, could I ask the honourable members to refrain from moving into the Grow Bonds Program, which is under 8. Lotteries Funded Programs, and remain within the line that we are discussing at this time.

I understand the two are interconnected, but if we could relate more to the Economic Development Services, it might aid us when we get further on into it. The Grow Bonds will fall under another category.

We are still dealing with Economic Development Services: (2) Other Expenditures \$64,000.

Mr. Connery: Hansard will show that I never mentioned the Grow Bonds, Mr. Deputy Chairperson. Nevertheless, it is pretty hard, when we are talking about Economic Development, to separate them out because we are in an all-encompassing spot.

I am not critical of the VLTs, but we have to acknowledge that it has helped the hotel industry which was sagging and is a major part of communities. We also have to acknowledge that the dollars taken out from the VLTs are dollars that

rural people are not going to spend in grocery stores or on hardware items, and so while we have moved it around, we also have taken away from some of the other economic sides of rural Manitoba. There are only so many dollars. You recycle those dollars and if they take them away from here, they are not going spent over there.

I think we want to be clear that there is the need for new money into rural Manitoba.

The minister mentioned the REDI program. As the minister knows, I am not overly thrilled with the REDI program as has been presented, although he assures me that other initiatives will likely come forward. Is the REDI program now available to the public? Are all aspects, all the regulations and detail, is it out to the public? Has anybody taken up on it?

Mr. Derkach: Mr. Deputy Chairperson, the Partners with Youth program is up and running. The other four programs are in the final stages of being approved. In terms of the applications, we indicated to the communities that the applications would be done in May, and the manager of the REDI program is working to that end.

* (2310)

Mr. Connery: The Partners with Youth one, I think, Mr. Deputy Chairperson—no, I am not opposed to it. I think the Infrastructure assistance program is one that could be very helpful to business in assistance in getting started, because the cost of getting sewer and water and especially three-phase power can be a major stumbling block to a small business getting established.

But I do not see the REDI program, as has been presented to us, creating that many jobs and initiating that many new businesses or expansions of new businesses. Does the department have any forecasts of jobs that they expect to be created, and what development or what capital, not on the department side, but capital from individuals going out and developing in the way of processing or manufacturing? Did they do any projections on these when they developed the REDI program?

Mr. Derkach: Mr. Deputy Chairperson, it is very difficult to predict exactly what the total number of jobs is that would be created. The programs are not designed in that fashion. They are designed for communities to apply for, whether it is infrastructure development—we have \$2.4 million set aside which will be matched by another \$2.4 million. That is \$5 million of activity in a province for the creation of

jobs. That is what the REDI program is basically all about.

Whether you put into the infrastructure, or whether it is a feasibility study program, or whether it is an MBA program, or whether it is the General Support program, they all, in one way or another, will create some jobs. How many jobs are you going to create for the \$2.4 million? I really cannot tell you that. We have not done that projection per se.

The member is somewhat critical of the program. That is fine. I mean, we have not even got the applications out yet, so it is a pretty early analysis of the program. I am hopeful that we can prove the member wrong and that it will be a very successful program which we are looking at.

It is not a program that I designed or any single individual around this table designed. It was done in consultation with the stakeholders being the municipalities, the economic development community or units around the province. I know those who were not directly involved in it have stood to the side and have pouted a little in terms of their criticism of it. I am not referring to the member here; I am talking about those outside of this building. That is true, and I guess you will have that always, but I am hopeful that communities will really look at it in a positive sense.

I have indicated this very clearly to the RDCs and to the municipalities, that when we develop new programs, I intend to consult with them to ensure that there is going to be some input from them as to the kinds of programs they may want to have.

As the member knows, I have already accepted a suggestion from my colleague and also from the RDC, and if that in fact is something that we feel is going to benefit the province, I do not have any qualms about going full steam ahead with something like that.

Mr. Connery: To the minister, I have discussed with him the tourism program, the one aspect where they have for upgrading tourism facilities where they use a grant program. It is a third. I think it is a maximum of—is it \$20,000 or \$30,000?—in the tourism side, where if somebody expands, you get a grant of so much money up to a third.

The old program that J. Frank Johnston had back in Sterling Lyon's days was one. I do not remember the name of it; maybe some department people would, but that was also a grant program of \$30,000-50 percent. But it generated immediate jobs; it generated immediate expansion or new

facilities. It was a lever; it was a carrot. It is an enticement for people to do something now because the grant is in place, and there is no guarantee how long the program will last, so people will take advantage of it.

I have talked with the minister on it. Has there been any further looking at something along that line, because rural Manitoba needs jobs today? The unemployment level in some rural communities is pretty disturbing, pretty tough on the merchants and everybody involved. We need to be working along that line to generate jobs now, not something that is going to help us generate jobs in two or three years, where some of the programs might be feasibility studies, et cetera. I think we need to have something that is going to generate jobs today. Has the minister given any other thought to some of these things that maybe we can develop programs for job creation?

Mr. Derkach: Mr. Deputy Chairperson, as the funds become available, certainly, that is a possibility, but right at the present time, we have set our budget for the year. There is some \$2.4 million available for the REDI program. That is certainly a job creation program, and it is immediate, as well. That money is there. It can be accessed immediately. It can put people to work immediately.

The youth development program is also there, the Partners with Youth program. That is creation of jobs immediately.

I want to see how communities are going to take up these programs before we set forth a whole series of other programs. I want to be able to do some analysis of how the programs that we have out there are working.

We are putting in a lot of money into a variety of mechanisms in rural Manitoba, whether it is through the RDCs, through the Grow Bond program, the guarantees are not insignificant. We just announced one today. There is the REDI program. So I think there are a lot of initiatives that have been made available; there are a lot of tools that have been made available.

Now we need to examine what the response of the communities is to these programs before we go in and lay another series of programs before them. I do not have the money to do it now anyway because the budgets have been set for this year, but I am not negative about looking at those programs, and I have indicated to the member that I will.

Mr. Connery: One last question before passing on to the other critics. You mentioned other—

An Honourable Member: To “the” critic.

Mr. Connery: Okay, I am critical where it should be critical, and praise where it should be praised and—

An Honourable Member: Positive.

Mr. Connery: Positive, that is right.

There was mention that different groups were consulted with on the REDI program. What groups were consulted with in the development of the REDI program?

Mr. Derkach: Mr. Deputy Chairperson, I do not have the list of groups that were worked with in developing this program, but the staff that were involved in the development of this, and of course that was done prior to my coming into the department, I sort of came in at the tail end or the tidying-up end. I had the pleasure of announcing it, but I cannot tell you specifically.

I do know from talking with the people involved that there were a variety of organizations and individuals who were consulted. As a matter of fact, this was done on a confidential basis, but I do know that there was consultation.

Mr. Deputy Chairperson: I would like to remind the members that we are dealing with 6.(c)(2) Other Expenditures \$64,000.

Ms. Wowchuk: I thought we were dealing with (d) Community Development.

Mr. Deputy Chairperson: Not yet.

Ms. Wowchuk: Not yet.

Mr. Deputy Chairperson: Shall we pass this other line so we can get on? Item 6.(c)(2) Other Expenditures \$64,000—

Mr. Gaudry: Yes, we have lots of time—more, tomorrow morning.

In Grants, in the amount of \$596,000, you say, Expected Results: Strategic community plans will implement projects which generate local employment and income. How many projects were implemented?

Mr. Deputy Chairperson: Order, please. Before we get on to the Grants, the \$596,000, I am just going to pass the other line: 6.(c)(2) Other Expenditures \$64,000—pass.

Now we will move on to (3) Grants \$596,200. The honourable member for St. Boniface has asked his question.

Mr. Derkach: Can I ask him to repeat his question?

Mr. Gaudry: Yes, Mr. Deputy Chairperson, in the amount of Grants of \$596,200, Expected Results in your document here says, strategic community plans will implement projects which generate local employment and income. Can the minister tell us how many projects were generated and how many jobs were created?

Mr. Derkach: We get an annual report from each of the development corporations on an annual basis. In that report, they lay out the successes and the activities that they have been involved in over the year.

I can tell you that there are some that are more successful than others in terms of attracting economic development into their areas and creating jobs in their areas. I would have to say that I have met with each one of these now, and I can tell you that every one of them is working extremely hard. Both the volunteers and their hired people, whom they have in their development corporations, are working extremely hard.

* (2320)

In some areas it is very difficult, and I refer to something like the Norman Regional Development Corporation. It is not only located in Thompson, but it is located in areas throughout the North. There is difficulty there because we know what the economic climate is in the North. It is mixed. In a city like Thompson, it is booming. In other communities, it is not. Yet it is the same development corporation that tries to struggle and deal with some of these economic issues.

In some communities, the successes are not as good as they are in others, but I can tell you, by and large, in the last year, there has been a greater amount of success I think than was previous. The two that I referred to before, the Pembina Valley and the Central Plains Development Corporations, have been in place for a long time, and their experience has taught them how to conduct their affairs. I think they are quite a successful corporation in both cases.

(Mr. Jack Penner, Acting Deputy Chairperson, in the Chair)

The Acting Deputy Chairperson (Mr. Penner): Item 6.(c)(3) Grants \$596,200—shall the item pass?

Mr. Connery: No, one more question. We are still talking about Economic Development, and if we go past this one, then you are into Community

Development. This is the Economic Development sector.

When we talked, and you were involved with prior, I think, different members, waterproofing southern Manitoba. As an Economic Development strategy, having sufficient water for all of Manitoba is very crucial. So when we look at areas of the Pembina Valley that are looking for not only municipal, industrial, residential water, they are looking for irrigation water, does your department interact with other government departments to take a look at the economic development strategy? Do you get involved with Natural Resources and whatever with those areas?

Mr. Derkach: Yes, Mr. Acting Deputy Chairperson, we do.

Mr. Connery: What is the analysis then of the discussions and interaction with other departments as far as putting into place a water strategy for Manitoba?

Mr. Derkach: Mr. Acting Deputy Chairperson, the water strategy for our province is not the responsibility of one or another particular department. It is the responsibility of government as a whole. It is for us as departments to interact, to share and to work with communities to bring forward the best possible strategy that we possibly can.

We also work hand in hand with the sustainable development unit to ensure that whatever development that we are going to do, whether it is in the south part of the province, the west part of the province or the east side of the province, that it is going to have the best interests of the people in those areas in mind, and that whatever we do is not going to impact negatively on other areas. Sometimes that is easier said than done, but I think there is a willingness and a genuine effort by all departments to ensure that this attitude is first and foremost.

Mr. Connery: Then what is the position of, I guess, this minister and this department as far as progressing with those moves? So be it if we need to put in dams to ensure that there is adequate water. As you know, there is the debate between Pembina Valley and the Assiniboine River users, but if we look at the economic spinoffs and benefit to Manitoba, including the city of Winnipeg, is the department really analyzing the importance of water for Manitoba in those communities that are short of

water, and what economic thrusts would develop in those communities by having sufficient water?

Mr. Derkach: Again, I have to go back to the water strategy under the sustainable development thrust that has been undertaken by government, and I would have to indicate that we would work actively towards ensuring that communities have the optimum access to water, provided that it does not impede the use of water by other users where it is upstream.

There are priorities given to the use of water, as the member knows, and any strategy that we put in place is going to have to keep in mind the preference of water users down the line.

Mr. Connery: The member for Emerson (Mr. Penner) was very involved in developing a water strategy for southern Manitoba. Has that water strategy been implemented, or is it in the process of being implemented for the benefit of Manitoba?

Mr. Derkach: I would have to say, Mr. Acting Deputy Chairperson, that the water strategy that was developed by my colleague is certainly one that has been considered actively by the Sustainable Development Unit and by the department and other departments.

There was a tremendous amount of work that went into that. I think it has been used as the basis, if you like, for establishing what our attitude is towards the use of water and the development of water in the future, but I cannot tell you specifically which elements of it have been plucked out and have been incorporated at this time.

Mr. Connery: I have a comment rather than a question. I think it was an excellent paper, a lot of work put into it. I thought it was a realistic position that we would have on water strategy.

I would hope that the minister, with his other cabinet colleagues, would work to put in progress now some of that strategy that was developed. If it sits on the shelf, as good as it may be, it is not doing anything for Manitoba unless we put it to use. I would hate to see a valuable document of that nature not being put to use.

Mr. Derkach: I can assure the member that this document is going to be one that is considered, as other documents will be, regardless of what thrust is put in place. I would acknowledge that there was a lot of work, and it was a very valuable piece of information that was developed.

The Acting Deputy Chairperson (Mr. Penner): Item 6.(c) Economic Development Services: (3) Grants \$596,200—pass.

Item 6.(d) Community Development: (1) Salaries \$2,314,200.

Ms. Wowchuk: I just have one question that I want to ask on this section, and that is with the Downtown Revitalization. I just want to add that I agree with many of the things that the member for Portage la Prairie (Mr. Connery) has just said, that we do need jobs in our rural communities and we have to have revitalization of our communities.

We have a program here that provides funding to enhance the downtown of large urban communities such as Brandon and Thompson. I want to ask the minister, are there any considerations being given to smaller communities that also have to have revitalization and development, because those are the communities that are suffering the most.

The member across, I believe, mentioned the Main Street Manitoba Program which was in place earlier on. Is there anything being done to revitalize smaller communities?

Mr. Derkach: Mr. Acting Deputy Chairperson, as the member may know, there was a program that was in place called the Main Street Manitoba Program under the former government, as I recall. Many of the smaller communities were able to access funds under that program to revitalize their business sections.

The communities that were left out were Thompson, Brandon and Selkirk, I do believe, so I know that the department has been working with these communities to ensure that they would receive fair treatment because they were ones that had been left out.

Once that is completed, I think we can probably then do a re-evaluation of which communities may still be left out and may require some assistance in that regard, but we are not at that juncture at this time.

* (2330)

Mr. Gaudry: Yes, since we are in Community Development, the minister, this afternoon, said: Enhancing a rural community through projects like the ones I have outlined here today is an important part of our commitment to rural Manitobans.

Decentralization is another example of this commitment. Can the minister give us the status of

decentralization of government departments at this time?

Mr. Derkach: Mr. Acting Deputy Chairperson, we have a section on decentralization later on in the Estimates process, but I can just touch on it briefly, if you would like, today.

As I indicated, we have decentralized over 500 positions. We have 134 positions, I believe, left to go

Mr. Gaudry: How many?

Mr. Derkach: 130 or 140 positions left to go; 90-some projects, I think, have been completed or are in the process of being completed.

I can tell you that we have had virtually no negative feedback on the Decentralization program to speak of at this point in time. Most of the employees who were decentralized or whose positions were decentralized were accommodated to the satisfaction of the MGEA. They seem to be pleased at the way that it was handled, in a professional way.

Of those who decentralized, I have talked to some of them who are happy with the communities that they have decentralized to, happy with their new roles. Comments from the field where the services are being provided are that the turnaround time on some of the responses is even better than it was before, but that would be expected from those who may be high on decentralization, so we take those comments cautiously.

I would have to say, so far in our province, the Decentralization initiative has gone well. It is amazing what it has done for some of the communities that we have decentralized to because there seems to be a new vitality in those areas, and people are again upbeat about their community. They have taken on a bit of a pride about their community. I wish that we could do more, but I think that we have to look at other ways that we can help other communities as well, because we cannot decentralize all of government. Indeed, in other communities, where perhaps we have not been able to decentralize because they have been, for one reason or another—we have to find other things that we can help them with to revitalize their economy.

The Acting Deputy Chairperson (Mr. Penner): Item 6.(d)(1) Community Development: Salaries \$2,314,200—pass; (2) Other Expenditures \$297,000—

Mr. Gaudry: Yes, Mr. Acting Deputy Chairperson, there is a decrease in Other Expenditures. What is the item? Poor management, did you say?

Mr. Derkach: Some of it has been budgetary decreases. Some of it has been transfers to other branches, including \$16,000 to the division's Executive Administration branch and \$64,000 to the Economic Development Services branch, and \$85,000 to the Grow Bonds Program.

So there have been some transfers because, as you know, some of the staff who went to the Grow Bonds office, for example, had worked in—because of the restructuring of the department, there was some shifting of staff to other areas.

Mr. Gaudry: You are saying because of moving of staff, but there is no indication of transfer of staff in your Salaries, just in your Other Expenditures.

Mr. Derkach: Mr. Acting Deputy Chairperson, it is not transfer of staff that we are referring to here; we are talking about the transfer of Other Expenditures to these areas.

Mr. Gaudry: Can the honourable minister give me an example of the transfer of expenditures to the other department?

Mr. Derkach: It is operating expenditures, whether it is for telephones or for paper, travel, whatever it might be.

The Acting Deputy Chairperson (Mr. Penner): Item 6.(d)(2) Other Expenditures \$297,000—pass.

Resolution 119: RESOLVED that there be granted to Her Majesty a sum not exceeding \$5,606,400 for Rural Development for the fiscal year ending the 31st day of March, 1993—pass.

Item 7. Expenditures Related to Capital (a) Capital Grants: (1) Transit Bus Purchases \$149,400—pass; (2) Water Development \$475,000—pass; (3) Sewer and Water \$3,000,000—pass; (4) Canada-Manitoba Partnership Agreement on Municipal Water Infrastructure \$4,051,200—pass; (5) Drought Proofing \$1,314,800.

(Mr. Deputy Chairperson in the Chair)

Mr. Gaudry: Mr. Deputy Chairperson, Drought Proofing, an increase, an addition. Yes, why an increase in a year that we do not see any forecast for drought?

Mr. Derkach: Mr. Deputy Chairperson, that is an increase in the budget. Again, many of these projects are cost-shared with PFRA, the federal government and with communities. There has been an indication from PFRA that we could be

accessing greater sums in this area; therefore, the budget has been increased accordingly.

Mr. Deputy Chairperson: Item 7.(a)(5) Drought Proofing \$1,314,800—pass; (6) Conservation Districts \$1,953,100—pass; (7) Downtown Revitalization \$533,000.

Mr. Gaudry: There is an increase of \$133,000, and I want an explanation.

Mr. Derkach: Mr. Deputy Chairperson, the \$133,000 is the amount that is going to be spent in Thompson for their downtown revitalization, and I was happy to sign that agreement with Thompson about a month ago.

Mr. Deputy Chairperson: Item 7.(a)(7) Downtown Revitalization \$533,000—pass.

Resolution 120: RESOLVED that there be granted to Her Majesty a sum not exceeding \$11,476,500 for Rural Development, Expenditures Related to Capital for the fiscal year ending the 31st day of March, 1993.

Mr. Gaudry: Before we pass that, I have one question here. The Municipality of Rosedale passed a resolution here, a motion, and they wanted—it said, now therefore the council requests that the Minister of Rural Development review the pertinent provincial act and, if necessary, propose an amendment to the appropriate act to provide for a group of municipalities to form a regional waste management authority.

Maybe I should have asked the question previously, but can the minister indicate if he has done anything with this request from the Rosedale municipality?

Mr. Derkach: Mr. Deputy Chairperson, that particular issue requires a legislative change. We are contemplating changes to legislation, not in this particular fiscal year because we are too far down this session, but indeed in the next fiscal year to try and accommodate some of these needs. Whether that will be ready or not will have to be seen later on, but certainly we are not approaching it in a negative sense.

* (2340)

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

Item 8. Lotteries Funded Programs (a) Grow Bonds Program: (1) Salaries \$323,700.

Ms. Wowchuk: Mr. Deputy Chairperson, we have heard a lot of things about the rural development Grow Bonds and everything that they are going to

do for rural Manitoba. I have to say that I believe that we need much more than Grow Bonds for rural Manitoba, and we cannot count on money to come from only the rural people.

I have said this earlier, that there has to be supports in place to help these communities. I believe that the government has to be prepared to also invest money in the communities and perhaps even consider some sort of matching of money.

If they are definitely committed to rural Manitoba, then I do not think that all the money should have to be raised in the rural community. All the money that helps Winnipeg is not only raised in Winnipeg. Government invests and I think that the government should be prepared to invest in the rural community if they are seriously committed, particularly in light of the fact of the number of people whom we are losing in our rural communities and the lack of jobs for our young people to come back to.

I want to ask the minister a few questions on the Grow Bonds. Has his government or his department ever considered the possibility of enhancing the Grow Bonds Program by matching funds or putting additional money into the communities when they get a project started?

Mr. Derkach: Mr. Deputy Chairperson, first of all, let me say that the Grow Bonds Program has direct government involvement and participation. When the Grow Bonds are sold to the community, there has to be a guarantee put up by government.

Now I think the member probably read in the Saskatchewan experience where the new government there said that they are backing out of their commitment in terms of the guarantee, that in fact they will not honour some of the guarantees now when a firm goes bankrupt, and that is a real possibility from time to time. They do it for their own reasons, and I am not going to get into that.

What I would like to say is that if a firm should fail for some reason, financial situation, the economy, whatever, the people of Manitoba who have invested their money into those Grow Bonds will be protected in our administration and in the guidelines that we have set down. We have indicated that we will guarantee and will pay our guarantee up front to the people who have invested their money in a particular initiative. In that sense, it is direct participation. We have to have that money set aside.

It is like buying HydroBonds, I guess. Anybody who invests their money into an initiative is going to

have his or her principal guaranteed by the government. In addition, they can earn the dividends that might be paid by a company.

Now if you say, well, we should go further and match this money, then you are double protecting. Then it does not become a business anymore; it becomes kind of a subsidized initiative by government. We as a province do not have that ability to do that.

I guess, when we talk about Grow Bonds, we talk about creation of jobs. The announcement that we made today—I was supposed to be there to announce it tonight at six o'clock, but we decided to do Estimates, which was okay, too—the Teulon project, they are going to raise \$800,000, which is going to be guaranteed by government, and it is going to create 50 new jobs in the area. That is certainly the way that we would like to go because it shows that communities are willing to invest in themselves. I think the money is there; it is just a matter of finding the projects to go along with money. Many communities have said they have raised their money; they are ready to go; now they need a project.

I think that is our next thrust, is to be able to help communities identify successful projects. I know the Swan River Community, for example, have talked to me about coming over there. They know they can raise the money, but they said, what can we do? What has Swan River got that we can really go after and bring some jobs in?

Of course, we look in an area which is rich in our forest resources, and we have to capitalize on the resources and the strengths that our communities have. I have indicated to the Swan River community that I will go up there, and let us start talking about what it is we can do. Certainly I do not have the ideas, but the member representing that area may have some as well.

Ms. Wowchuk: Mr. Deputy Chairperson, I want to go back to a couple of points. First of all, to the Swan River group, that is exactly what I have been talking about. It is not enough to have investments from the community; there has to be involvement from government and the supports there to show the leadership when a community can raise the money.

The minister mentioned the Saskatchewan projects and it is my understanding that on those projects that was the kind of agreement that the previous government had signed, that the government was not bound to pay back that money

for five years. I want to ask the minister then, what kind of agreements do we have here in Manitoba? Will the government guarantee the money if a project fails immediately, or have they signed weak agreements like the previous Saskatchewan government did that did not guarantee that the money would be paid back until after five years?

Mr. Derkach: This could end up being a lively debate because the agreements that were signed in Saskatchewan said that the government may wait up to five years to pay back the guarantee.

My understanding is that the present government has decided not only to live up to that agreement, but to surpass it and say, we may not pay back your guarantee at all. In Manitoba, we are saying that we will pay back your guarantee not after five years, we will pay back the guarantee if the company folds or if it goes bankrupt. So there will be an action, if you like, to ensure that those investors' money will be protected so that other projects will not be in jeopardy because of a bad one in the barrel.

Ms. Wowchuk: I am very pleased that this government saw in its wisdom to sign stronger agreements than the previous government in Saskatchewan did because that money should be protected. I still think that the government should be committed enough to look perhaps at matching some money, or additional money, or looking at other ways to put money into communities as well, because all of the money cannot come from the local people. In particular, I look at what are we going to do for economic development or are Rural Development Bonds going to be allowed in communities that do not have money? We need economic development in some communities with very high unemployment, but where there is no money.

Also, what about aboriginal communities and reserve communities, are they able to apply for development bond corporations as well?

* (2350)

Mr. Derkach: Mr. Deputy Chairperson, if I could address the first part of the question, in fact, the government does participate in other ways as well. Not only is the Grow Bond program available to community, but then if the community requires, as an example, some money to put an infrastructure for that business, to attract that business, to help them across that barrier, we have the REDI program that they can access.

We can do an MBA feasibility study, a consulting program, and then there is, of course, the general support which probably would not qualify in most businesses. But we have indicated that we will contribute up to 40 percent, we will guarantee up to 40 percent, so that means that there has to be some participation not only through the community but, indeed, from the individual or individuals who are going to be investing in that project. There is a blend, if you like, of participation in it.

With regard to the aboriginal question, if it is a community that if aboriginal people want to invest in a project as individuals through a Grow Bond initiative, I guess they are welcome to do that. I do not know of any experience where we have, in a strictly aboriginal community, a desire to go with a Grow Bond initiative, at least that has not come forward at this time. Reserves, of course, would not be eligible because they are under the jurisdiction of the federal government.

Ms. Wowchuk: Is the minister saying then that reserve communities could not invest their money into a Grow Bond corporation. There would be no guarantees if they invested.

Mr. Derkach: They could invest, sure.

Ms. Wowchuk: They could use that money for development on a reserve for a project and would the money be guaranteed by the government?

Mr. Derkach: Let me lay out the scenario. Let us say that there is a company that wants to locate in Swan River. I will use Swan River because it is a good town. Let us say that the native communities or individuals want to participate in this company by purchasing bonds, they can do that.

If, on the other hand, the native community wanted to build a business on the reserve and then access Grow Bonds, that is a horse of a different colour because, as I said, reserves are under the jurisdiction of the federal government. I do not believe that it is possible for us to take any collateral or any kind of action with regard to a failing business on a reserve. So there are some limitations in that regard.

Ms. Wowchuk: I am not quite sure what the difference is. Money is money, and if they are wanting economic growth and if this government is committed to economic growth in Manitoba, if there were people on reserves who wanted to invest, I do not know what the difference would be.

Mr. Derkach: Mr. Deputy Chairperson, it is a jurisdictional problem. It is two different levels of government who are operating with their own mandates, and that is really what the difficulty is.

Mr. Gaudry: Can the minister advise—I know he has announced tonight that Teulon is one that has been successful in raising monies for Grow Bonds—what other town has done the same so far?

Mr. Derkach: Mr. Deputy Chairperson, Morden has sold their issue of Grow Bonds. They raised more than their minimum. Their minimum was set at 110,000; I believe they raised 127,000. So they are well on their way. Teulon just went into a formal selling of bonds today. Those are the only two communities that are at this stage. There are three or four other communities that are nearing that stage.

I have to say that it is an elaborate process to get to that stage because, first of all, you identify the business. Then there has to be a series of investigations in terms of business plan feasibility studies and that sort of thing. Then it goes through a series of approvals. The staff from the department do it. They work with I, T and T to do some analysis, then it goes before the Economic Development Board of Cabinet, and the final review committee process is done by the review committee and then the approval is given.

Mr. Gaudry: As I understand, Morden and Teulon have identified projects and will go forward with their initiative. But the other three that you say are nearing, have they identified projects where they can invest these funds?

Mr. Derkach: Yes, that is true.

Mr. Gaudry: Can the minister tell us the cost for advertising these Grow Bonds since it has been put in?

Mr. Derkach: As close as I can get it, \$230,000.

Mr. Deputy Chairperson: Item 8.(a)(1) Salaries \$323,700—pass; (2) Other Expenditures.

Mr. Gaudry: There is an increase in Salaries. Was that an increase in staff or just regular increases?

Mr. Derkach: On the Grow Bonds?

Mr. Gaudry: Yes.

Mr. Derkach: In the managerial?

Mr. Gaudry: I am just looking, 323 are in general.

Mr. Derkach: Mr. Deputy Chairperson, as you know, we had four professional/technical staff who are part of the office who were working in the

department before. These were salaries that were expended in other areas. Then we had an addition of two administrative support staff to the branch and then the management staff as well.

I should have introduced the manager of the Grow Bonds office. It is Mr. Elwin Chase and he is working out of the Altona office. He is really drumming up business for us. We have already sold two issues. He has a former banking background so certainly he is not going to let anything get by him.

Mr. Deputy Chairperson: Item 8.(a)(2) Other Expenditures \$572,100—pass.

Item 8.(b) Rural Economic Development Initiatives: (1) Salaries \$55,000—pass.

Ms. Wowchuk: I just want to ask a couple of questions on Rural Economic Development Initiatives. I know that it is getting late, and we will have time when we get into concurrence to talk about this in more detail. I want to ask the minister, on the money that is raised on the video lottery terminals, what percentage of the take-in money actually goes for prizes, what percentage goes to the Hotel Association, and what percentage of it goes—[interjection] I hear someone saying that goes to Lotteries.

Would the minister prefer that I leave that for Lotteries, or is that a question he can address?

Mr. Derkach: Mr. Deputy Chairperson, I could not tell you what the breakdown of those amounts is because that is something that is under Lotteries. All we get is the money to spend. This year, I have to say, although the early projections were something at \$5.3 million—I believe that was the initial announcement—one has to understand that there was a certain amount of capital requirement there for paying for the installation of the machines and the machines themselves.

We estimated \$2.4 million that could be used for programs, but we have also indicated that if in fact our projections are low and if we can find other programs that might be of benefit, we would certainly be prepared to consider the addition of other programs, sometimes through the year, if not, then at least next year.

Ms. Wowchuk: The minister had also indicated in his announcement that an office was going to be open in some community in rural Manitoba. Has a decision been made on that yet, where this office is going to be?

Mr. Derkach: No, Mr. Deputy Chairperson.

If I could just stop for a second here, because the manager of the REDI program has joined us, and it is Bryan Gray. Bryan is originally from the Neepawa area, I believe; he has lived here in Winnipeg for a number of years, but has a rural background.

Yes, in fact, we have indicated from the beginning that we would like to locate this office in rural Manitoba, but we are in the initial stages of REDI, and there is a requirement of a lot of back and forth, so at the present time, on a temporary basis, the office is located at 800 Portage. Once the program has been established, we will then be trying to identify a community for locating this office in.

Ms. Wowchuk: Mr. Deputy Chairperson, there are probably a lot more questions that we could ask on this program, but as the minister has indicated, it is a new program. It is just getting started. So I am prepared to leave those questions and raise them at a later time, as the program gets more established.

Mr. Deputy Chairperson: Item 8.(b)(2) Other Expenditures \$880,000—pass; (3) Partners with Youth \$500,000—

Mr. Gaudry: Mr. Deputy Chairperson, to the minister: With the amount that has been allowed, \$500,000, have there been any results so far in applications from youth or organizations or industry in requesting grants in regard to this program?

* (0000)

Mr. Derkach: Once again this program, although we have identified the money from Rural Development, is administered through the Family Services department. I believe they did discuss this matter then.

From talking to communities, there seems to be a high level of interest in this program. One of the difficulties that has been experienced, again somewhat because of timing, is that communities were not prepared for it, and it has taken them a little while to get off the ground and running.

The application deadline is the end of this month, but there is some flexibility in that. From some of the communities I have talked to, it appears that they will be applying for this particular program. What municipalities and some of the organizations are trying to do is keep their young people in their communities over the summer months, and some of those who may be unemployed in the area, they are trying to keep them in their communities.

I know of one community where two young fellows—one graduated with an MBA just recently, and another one graduated from a diploma program—have combined forces and are going to do a landscaping project. The business is going to be looking at this program for them, because they are both young individuals.

Mr. Gaudry: Did they have to invest some of their own monies before they were allowed to get a grant from the government?

Mr. Derkach: Yes, Mr. Deputy Chairperson. It is a 50-50 program or a cost-sharing program between the sponsoring organization and the government.

Mr. Gaudry: What would happen if, let us say, a group of young unemployed have no monies, but they go to the bank and get a loan, what would happen then? Would the government still sponsor the grant to these individuals?

Mr. Derkach: Mr. Deputy Chairperson, that is not part of the criteria because they have to be sponsored through either a municipality, or an organization can come to the municipality, such as a recreation association or somebody of that nature, who may indicate that they have a project that they want to do, and they will apply through the municipality.

So we are using our local governments to help us in making sure that the projects are legitimate and that there is no unnecessary abuse of the program.

Mr. Gaudry: But you mention, Mr. Minister, those two who started the landscaping company, whom were they sponsored by?

Mr. Derkach: The company is willing to go to the municipality, and because it is an enhancement of a property and some public property that is attached, they will be going through the municipality to ask for sponsorship of this program.

Mr. Gaudry: Let us say the city wanted to take advantage of this program here and wanted to use students or the unemployed to work on cleaning boulevards, for example, could that be done?

Mr. Derkach: It can be done, but not with these monies. The money allocated here is for rural Manitoba.

Now, Family Services, and I think Culture, Heritage and Citizenship, have a general component that can be applied by anybody, but the \$500,000 has to be spent in rural Manitoba.

Mr. Deputy Chairperson: Item 8. Lotteries Funded Programs (b)(3) Partners with Youth

\$500,000—pass; 8.(b)(4) Capital - Infrastructure Development \$1,000,000—pass.

Resolution 121: RESOLVED that there be granted to Her Majesty a sum not exceeding \$3,330,800 for Rural Development, Lotteries Funded Programs, for the fiscal year ended the 31st day of March, 1993—pass.

The last item to be considered for the Estimates for the Department of Rural Development is item (a) Minister's Salary. At this point, we would request that the minister's staff leave the table for the consideration of this item.

Item 1. Administration and Finance: (a) Minister's Salary \$20,600—pass.

Resolution 114: RESOLVED that there be granted to Her Majesty a sum not exceeding \$1,271,900 for Rural Development, Administration and Finance, for the fiscal year ending the 31st day of March, 1993—pass.

At this time, we would like to thank the staff of the Department of Rural Development. We appreciated their company this evening.

This concludes the consideration of the Estimates for the Department of Rural Development. The next department to be considered is Agriculture.

The time being after twelve o'clock, committee rise.

EDUCATION AND TRAINING

* (2000)

Madam Chairperson (Louise Dacquay): Will the Committee of Supply please come to order.

Hon. Clayton Manness (Minister of Finance): Madam Chairperson, I am going to continue my—

Madam Chairperson: One moment, please.

Would the minister's staff please enter the Chamber.

Mr. Manness: Madam Chairperson, it is a pleasure to rise again and speak on this very important motion.

Between six and eight o'clock tonight, I reflected as to why it was that the opposition took such great delight in bringing forward this motion, and I realize now what the problem is over in the opposition benches. Here is an opposition that has been in place now basically for a little over two years in this particular Legislature, and here is a situation where they have not accomplished an awful lot. I honestly believe that there is dissension in the opposition

benches. I believe that there is some factions within the group.

Of course, we get great laughter from one of the newer members, the member for Burrows (Mr. Martindale). Of course, I would like to share with you my views.

There are three or four different groups. Some would like to move faster than others. Some want to play hard politics. Others would like to try and attempt to work a little bit with the government for the betterment of society and the public. We have some others, of course, who feel a little bit badly that they come to the House every day questioning the government and asking for more money. Yet we have some others, of course, recognizing that money does not come falling out of the sky. We also realize that the public today is becoming very wary of politicians who do nothing more than promise and say they have the quick fix.

Madam Chairperson, what we have here is an opposition that is dispirited because there are problems within. This is the NDP. I would not lay this at the feet of the Liberals, although I would have to say they had a low period here two or three months ago, and now that the member for Osborne (Mr. Alcock) has found this new esprit de corps, this new fire and whatever the new challenge is, whether it is federal or whatever, he certainly is contributing much more to the Liberal cause and, obviously, they are a party again, but not the NDP.

The NDP has problems as sure as I am standing here, and they are internal problems. I will tell you, Madam Chairperson, I know what I speak. I have been in politics a long time, as long as the member for Dauphin (Mr. Plohman), and I know that when you come to a day like this and you are looking for something to rally around, you are looking for something to pull everybody together. When you are reaching for everything, on the pretext and on the pretense of a vote of the nature of a motion which we are debating right now and a precursor to that vote, a point of order overturning the Chairperson's ruling, and you get a great joy out of that; that says how desperate things are within the ranks of the NDP. Because, of course, you need whatever it is you can to hold onto when you are down.

It is no different than a hockey team that is losing by four or five goals, and they win the third period or something because they do not have any goals scored against them, and they take some great moral victory to the next game. That is what has

happened here today, the NDP trying to take some moral victory to the next day, when they know the problems are going to be just as great internally.

I say, Madam Chairperson, that there is not strong leadership in the NDP Party. There are different views. There is not unity, and of course when they match that up against the unity of the government, when everybody is pulling together, when everybody is pulling together in the same direction; of course, they feel wanting. They feel and, as I use the word again, they are very dispirited.

Madam Chairperson, I think it had to be put on the record. I think it is obvious to all. I will begin to say so publicly now when reporters come to me and say, what does this mean?—you have lost a vote, what does it mean? I will say, well, in a motion that is so unsubstantive as the one that came forward, it means nothing.

Of course, government has to be aware, because I will never forget—as a matter of fact, I was sitting in the same chair as the member for Dauphin (Mr. Plohman) when there was a budget vote in February 1988. I can remember sitting looking at the members in this first bench when the murmurs went up, when the government got up to rise on the budget. Of course, this bank voted, this bank stood up as a group, and then the third bank went to stand up, but there was one person who did not stand. I can remember the look of horror. You know, what I found odd was nobody in this row looked back. Nobody would look back. They did not need to because they just looked at us.

We take some learning experience out of today's events, Madam Chairperson. I can tell you what the Manitoba public should take out of today is the fact that the opposition is a divided party, it is divided amongst itself. There are problems over there, and they are manifest on a daily basis. So when they can win a small moral victory like they did today, aided and abetted of course with the Liberals who will fall for anything and do anything on every opportunity to try and do whatever it is they can to embarrass the government, even though they have—I must say they have done very well with respect to the health reform issue. Again, I cannot give them enough credit on that issue.

But what is obvious, Madam Chairperson, is that the NDP particularly have really taken a severe beating on this health reform issue. What is very obvious is that they have ridden the wrong horse, that they believed that health care would continue

to be their licence and their ticket to returning into government—

An Honourable Member: That horse is still running. Do not worry.

Mr. Manness: Of course, it is. That one will continue to run.

But I will tell you, what people are getting sick of is individuals playing politics on the health issue. They are getting sick of it. I will tell you right now, they want a government, and they do not care what the political stripe is of that government right today, they want them to deliver—not the goods—they want reform, because they want a system to exist in the next five or 10 years. They want unity from all the political parties to work to solve this problem together, and that is the difficult—and it is the cutbacks, because it is the rhetoric of cutbacks that the NDP are having difficulty with because they are falling out of favour with the public. The public knows there is not enough money to keep afloat the system we have now.

All the NDP can do, in their questions put forward in Question Period, is ask for more money. I do not care if it is Dutch elm disease. I do not care if it is Health. It is always more money. The public is saying there is no more money; we do not have any more money to give.

You know what I find strange is the NDP said: Go to the corporations, go to big business; they have the money. Yet the NDP governments in the land have all decreased the taxation rates on big business. Why? Because big business today is not making any money. There are no profits. There is no where to turn.

Oh, the banks are making money, yes, the banks—and sure, let us hit the banks. But do you know who the banks are? It is the service charge in my bank to my farm loan that went up \$10 a month. That is who the banks are.

An Honourable Member: They will get it back from you, right?

Mr. Manness: Well, that is right. They will get it back from you too.

An Honourable Member: So they can keep making a big profit.

Mr. Manness: Well, I am telling you, go after the big banks, but let us be honest enough to recognize where the banks get their money. They get it from you and me.

An Honourable Member: Let us go on bended knee.

* (2010)

Mr. Manness: No, nobody will go on bended—we have a 3 percent tax on capital of banks, of financial institutions in this country, in this province.

The point I make, Madam Chairperson, is that the members opposite are losing touch with reality of the public. The public today is asking for opposition parties and government to come up with solutions where there are no increased taxes, looking for where they can hold the line on spending, where they can do anything they can to try and create a competitive environment for business which creates jobs.

The members opposite accuse us of being supporters of the trickle-down theory. We are not supporters of the trickle-down theory. The question is, what are the alternatives? If we did not have the debt we did today, I would be putting another couple of hundred million into capital spending, because I have no trouble with countercyclical spending. I have no trouble with it, but when you are broke, you are broke.

Yet, what government in Canada, which of the 10 governments, which government in Canada today maintained capital spending? The government of Manitoba. Not one other province maintained capital spending, because we believe in how important it is to try and maintain the public infrastructure and keeping people employed.

Yet, what about the members? What is important to them? Well, they have struck out on Health today, and the member says it is a long horse race. He is right. It is a long horse race, but they have struck out on Health. They do not have one solution on the economy. So what do they do, particularly when they have division within their ranks? Well, they come to the House and try and win a vote 24 to 25.

Of course, all the member for Thompson (Mr. Ashton) has to do is smile and call over the member for Inkster (Mr. Lamoureux) and the member for Inkster, he will suck for anything. He will bite for anything. [interjection] No, it did not hurt at all. It was the best thing that happened to us. [interjection] No, well, we will always have good caucus meetings, because we are a united caucus. That is why we have good caucus meetings. They are always united.

Madam Chairperson, I have to step down now. There are other members I know from our side who want to debate this very, very important motion before us. I think it is important to say that the public today is expecting more. They are expecting more of us than to come to this House and play procedural games. They know the economy is in difficulty. They know that health reform is needed. They know educational reform is needed. We know it is needed. [interjection] No, no. The members opposite, they are not reformed. They want to maintain the status quo. The arch conservatives, the arch small "c" conservatives in this House are not to the right of the Speaker. They are to the left of the Speaker, because they want the status quo maintained. They do not want those community colleges to change one iota. They want them to stay the same way they were 30 years ago. They do not want change.

So I say, Madam Chairperson, the public today is calling for more and the procedural games that the members, of course, take great satisfaction from—because it leads to some unity in their caucus. I am saying to the members opposite, take some satisfaction in your small victory today, because they will be few and far between.

Thank you.

Hon. Jim Ernst (Minister of Urban Affairs): Madam Chairperson, most times in the House, it is a pleasure to rise and speak on a particular issue, but I take no pleasure today in rising to speak on this particular issue. I take no pleasure, because of the antics of the members of the opposition this afternoon.

An Honourable Member: In winning a vote.

Mr. Ernst: That is right, they won a vote. When you saw them over there jumping up and down like kindergarten children—I am sure half of them had to go and change their underwear after, they were so excited about winning a vote 25 to 24. They were so excited, holding each other, shaking hands, the two Leaders of the opposition parties embracing each other because of the great victory that they had won this afternoon. But what was the victory that they won? Well, the committee this afternoon determined that the Minister of Education (Mrs. Vodrey) would no longer—even if she was—would no longer be able to read from a prepared text.

There was the great victory that the members opposite now will carry into the Crescentwood by-election. They are going to go there and say,

yes, we won a victory against the government. We defeated the government on the basis that the Minister of Education will not be able to read from a prepared text. For that reason, we think you should vote for us.

Well, today in Question Period I saw the self-same House leader of the opposition party pick up his pad and read a question, read a question in Question Period today. He had the gall to stand up here earlier this afternoon and suggest somehow that this vote about reading from a prepared text or not, that this vote somehow showed that we had no confidence in the Minister of Education.

Balderdash. What will happen to my honourable friend the member for Broadway (Mr. Santos)? I mean, will the House now save money on coasters? Will he now no longer be able to prepare his speeches on those intricate little pieces of paper? Will he now not be able to refer to those notes because of the decision, the great victory that was won by members opposite today? The great victory, that great Pyrrhic victory I might add that members opposite today, somehow—[interjection] Pyrrhic victory.

We have also the member for Kildonan (Mr. Chomiak) who steals his wife's recipe cards in order to write his speeches on. He raids her kitchen two or three times a week in order to grab these cards to write out his speeches. Now he will no longer be able to speak using those notes.

I can see it happening that if members are going to be so picayune, so petty in their activities in this House, that every time a member refers to a piece of paper on that side of the House somebody is going to pop up and say, point of order, Mr. Speaker. Mr. Speaker, they are referring to a prepared text.

I mean, good heavens, the member for Burrows (Mr. Martindale) would not have a question in Estimates all of last year if he did not refer to a prepared text. Whether he has a short attention span or not, I do not know, Madam Chairperson. But the fact of the matter is he would not have had a question in all of Estimates last year in the Department of Housing if he did not have his notes.

I am sure every member dealing with issues respecting Estimates refers to notes. I do not think there are very many human brains in this world that can remember the myriad of information and details that are required when you are dealing particularly with Estimates. Some members opposite have trouble with Question Period, but I am talking about

Estimates now, where there are detailed volumes of information both asked and given in the Estimates process.

Now, Madam Chairperson, I do not mind for a minute that the member for Wolseley (Ms. Friesen) introduced a motion. That is legitimate. It is her right as a member of this House to introduce a motion, no matter how ill-founded it is. The fact of the matter is, she is quite entitled to introduce that. But this business of being petty, picayune—small-mindedness of the members opposite, and that includes both opposition parties, dealing with the question of whether somebody was referring to a note or not referring to a note—my goodness.

You have to ask yourselves, and when you go home tonight I think you should ask your spouse as well, why were you elected to this Legislature? Was that the reason? Were you elected to the Legislature to come in here this afternoon and have a vote, waste the taxpayers' money and all of our time on a question of a vote on whether somebody should read from a note or not? Shame on you. Shame on all of you.

So, enjoy—as my colleague, the Minister of Finance (Mr. Manness) has indicated—enjoy your little victory. Go home and rub your hands, but remember when you come back here tomorrow, I think you should be coming back here to think about why you are here, about what the issues are, and deal with those issues. You have done very little in terms of dealing with the issues.

Madam Chairperson, the whole question of college governance, the purpose of the resolution by the member for Wolseley—and I think she is way off-base quite frankly, because she does not understand, I do not think, in the context—in fact I do not think anybody over there understands. The world is changing. The world has changed. It will continue to change. The dramatic changes that have taken place in the economy of this world, particularly in the last five years, are mind boggling when you consider the context of the last 50 years.

The kind of issues that are necessary today, the kind of education, the kind of training that is required for people to work in today's high-tech technology and today's industry, Madam Chairperson, is something that I do not think members opposite even understand. They have no idea. They are in old-think, as we referred here earlier. They simply do not understand that the world has changed.

My colleague the Minister of Finance (Mr. Manness) has indicated that earlier today. He said, they do not want anything to change. They do not want the world to change. They do not want anything to change because they are steeped—I do not think they give a darn about education. They could not give two whits about education.

* (2020)

What they do want to perpetuate is the system. They want to perpetuate the system. They want to make sure all those people are still employed there and all of those programs are still there and all of the money that is necessary to run them is thrown at it, because they want to perpetuate the system. They want to see all of those programs, hundreds of programs over the years perpetuated not because they are interested in educating anybody in those programs—no—because if they thought about it for a minute, there is not much point in spending the taxpayers' money to educate somebody for which, when they are finished, they cannot find a job. The industry is gone; it has changed; there is no need for those people anymore.

So, Madam Chairperson, they do not understand the changing economy. They do not understand that the college governance system requires flexibility. They do not understand that the industry, that people, that the workers need the kind of flexibility that college governance can give to the community colleges in this province.

They do not understand that they have to work hand in hand with industry in order to determine the kind of jobs that are required by that industry, not now, because now is not good enough. It has to be five years from now when those people graduate. That is when we have to find out what industry needs at that time, so when those individuals graduate they will have a job to go to. That is the kind of flexibility that community colleges need.

Currently, as an arm of government, they are fairly hidebound in terms of the red tape that happens around government, but if you give them an opportunity to have a flexible system, one where they can go out and challenge industry, go out and work with industry in order to determine the kinds of jobs that are required five years from now, so those people have an opportunity to be employed when they graduate.

My honourable friends across the way I do not think understand that at all. They talk about no strategy, no planning, no direction of the

government's educational policy. Well, I am going to refer to a book, a printed text. I may refer to this from time to time. I would like to quote, reading from a prepared text: "Building A Solid Foundation For Our Future, A Strategic Plan" by the Department of Education, something, quite frankly, that no Department of Education had ever done before.

It was this government that brought forward a strategic plan. It was this government that brought it to the forefront and said we must have some direction for the future, notwithstanding previous governments never having brought this forward. Certainly, the NDP, who are intellectually bankrupt, have never been able to bring forward very much. What they brought forward is a huge debt that we have been paying for and will be paying for many, many years to come.

At least our Ministers of Education have brought forward a strategic-planning document that takes—and I, if you like, could refer to one or two passages from this document, but given the ruling of this afternoon, I will not do that, because I would not want to be in conflict with the decision of the committee, notwithstanding the fact that my honourable friends across the way will have great difficulty in Question Period tomorrow and hereafter, I am sure, not being able to read from any prepared text dealing with their particular questions. Given their short attention spans, that might be a significant problem for them

But they are here, Madam, they—now referring to the members in the New Democratic Party—are here to perpetuate a system that has been in effect for a long, long time. They simply want to make sure that all of those people who were employed in the system continue to be employed in the system doing the same old thing, whether it is needed or not, whether industry has changed, whether the world has changed or not. They could care less, because they want to perpetuate the system.

They do not want flexibility. They do not want to have new opportunities. They do not want to have change take place that might affect someone. Well, let us remember for a minute why the education system is there. The education system is not there to serve the needs of the givers of education. It is there to serve the needs of the student. The education system is there for students to learn, to become prepared to deal with the problems and work experiences they have in their lives to come. It is not there to perpetuate the professors or

instructors or other workers at our higher education institutions. It is not there to serve their needs and to suit them, although, as a student there, I am sure that most would agree it seems to work that way.

But nonetheless, Madam Chairperson, it is there to serve the needs of the students, our students, citizens of Manitoba, young people, who will eventually run this province, who will eventually be the movers and shakers in industry, who will be the workers in the work force and who will, I dare say, be members of the Legislature in the years to come. It is there to serve them, not the bureaucrats, not the professors, not the other workers associated with the system, but the students. Let us not for one minute forget that, because it is the students for which the education system is there.

Madam Chairperson, my honourable friend from Wolseley (Ms. Friesen), from whom, from time to time, we have discussions about a variety of issues, I think is all wrong in terms of her motion of condemnation of the government, because we have done a number of new things.

We have implemented dozens of new programs, brought the college system up to date. I sit in Treasury Board. I have for the past four years—five years, I guess, four years—since we have been in government. I have been through five budget procedures of the Department of Education. We very closely looked at that system to determine what it was that the college system needed, what resources we had available, and how best to meet the needs of the student again, the student who is foremost in the system.

Now, Madam Chairperson, through those five budgets, we have looked very, very closely at the Department of Education, particularly the college system, and we said, college governance is something that we need to do. We need to make it more flexible. We need to give it the opportunity to deal with the business community, to be able to determine what kind of educational programs are necessary, so that when those people graduate, they have jobs.

I could see my honourable friend screaming last year when certain courses were removed, courses for which there were no jobs, there was no demand, and there had not been for some time. But they, the members of the New Democratic Party—God forbid, we should not be able to change a course, not one, because somebody might be affected.

Mr. John Plohman (Dauphin): That is okay, Jim. You made your point. We do not believe it anymore.

Mr. Ernst: Madam Chairperson, the member for Dauphin, garbling from his chair, refers they do not believe it anymore. Well, that is how dense they are over there. Unfortunately, they do not understand very much about what goes on in the world, because they would not stand up asking inane questions like they do every day if they did.

They would not stand up here every day in Question Period and suggest for a minute that the money the government does not have, does not want to borrow, because they borrowed too much when they were in government, we should start throwing money, shovelling it out. The Liberals back up the Brinks truck was a suggestion sometime ago. So they do not understand what is going on.

They do not understand that colleges have to get into the '90s. Maybe, Madam Chairperson, at some point in the not too distant future, it is not just the colleges that are going to have to get into the '90s, it will be the other institutes of higher learning in this province that are going to have to get into the '90s.

* (2030)

They are going to have to give up things like tenure of professors, for instance, as something that I do not think quite frankly serves the interest of anyone, save the professor. I am not even sure that it serves their interest, because I do not think, quite frankly, that even when their interests come along, that they are productive, they truly give everything that they have to the carrying out of their profession if they have that comfortable pew to fall back on.

I think sometimes that spirit of competition, that little extra push, that needed incentive should be there in order to make sure that those academicians give their all, give everything that they can to their students because their students deserve it. Their students deserve much better, I think, overall. I do not want to blanket any group of particular professors, Madam Chairperson, because that is not my point.

I think that the question of that incentive will serve everyone. It will serve the professor; it will serve the student; it will serve the system much, much better, I think, in the overall.

So I regret that the member for Wolseley (Ms. Friesen) brought forward such a motion today. I think it is mean-spirited, quite frankly. I think it misses the point of what the Minister of Education

and our government are trying to do with our college governing system and with the community colleges as a whole. People have to begin to understand, and I think the public have learned—I do not know why the members of the opposition have not—that we have limited resources.

There is only so much money to spend, and we cannot continue with the days of the '80s where we simply went to the bank and borrowed some more. It is no longer good enough to go to Zurich and Tokyo and London to borrow the kind of money that is necessary to carry on the kind of programmings my honourable friends would like to see. It is not on. The taxpayers cannot afford it; the taxpayers do not want it. Every day I hear, both privately in calls to my office and publicly in calls to a wide variety of public media outlets, that the people are suffering tax exhaustion. They cannot continue anymore. They cannot.

During the 1990 election, I went through my neighbourhood, which is a middle-class neighbourhood, and people there were telling me, we started off and we bought our house with my husband working and the wife raising the children. That was no longer enough in terms of income in order to meet that middle-class type of lifestyle that they have had, so the wife went to work in order to provide additional money to let them continue with their lifestyle.

With the taxation loads that is being applied by all levels of government, it is found, Madam Chairperson, that two incomes are not enough to maintain that same lifestyle that those people have enjoyed. I feel very sad that it occurred, that both now were working extended hours and so on to try and meet that. Do you know who suffers? Ultimately, it is the family that suffers.

So I would hope that the member for Wolseley (Ms. Friesen) would reconsider her question and perhaps consider withdrawing it, because I think that it is wrong and ignores simply the kind of efforts that this government has given towards the educational system and community colleges in particular. Thank you.

Hon. Albert Drledger (Minister of Highways and Transportation): Madam Chairperson, normally, you know, I enjoy these kinds of debates from time to time, have over the years, and felt compelled to put some remarks on the record here today in defence of the Minister of Education (Mrs. Vodrey), because I think there were two innocent people that

were involved today with what happened in this House. One was the Minister of Education, the other was the member for Wolseley (Ms. Friesen) who made the motion.

Madam Chairperson, I want to reflect a little bit on what happened here in the House, and I will take a little different angle on what happened here today, because by and large within five minutes after Question Period opened I saw the Leader of the Opposition (Mr. Doer) signal to the member for Flin Flon (Mr. Storie) and the plot was on in terms of orchestrating the vote somewhere along the line, and that is very obvious. I mean, it was set from Day One. I turned around to my Acting House Leader and said, there is a fix in because—and I will tell you something, I accept that. I accept that because I want to—

Madam Chairperson, it is unfortunate. The Minister of Education (Mrs. Vodrey) basically is the most innocent, and I want to reflect on her ability in a little while. But I want to say that the member for Wolseley (Ms. Friesen) was the one that got snookered because they said, we have to orchestrate a vote somewhere along the line. It is hard to do that in Question Period, so we will do it this way. It was obvious. I turned to my Acting House Leader and said, the fix is in. Let us get ourselves prepared, and do you know why? [interjection] Just a minute. I am not even upset with that because I was caucus Whip for over four years. I have orchestrated many a vote, and I helped orchestrate the vote that brought down the government of the day in '88.

Madam Chairperson, it is unfortunate that people like the new Minister of Education or the member for Wolseley (Ms. Friesen) got caught in this game. I have been through this many times. I want to give a little bit of a history lesson for the new members in this building, because when we sat in opposition we orchestrated votes and we taught actually the now opposition all the tricks in the book really. I regret now that we did that because it is coming back to haunt us, but we used to do that. We knew that ministers were tied up.

At that time the Minister of Health, Mr. Desjardins, had his office downtown somewhere along the line, and we had that bell-ringing affair on the French language issue where we now rang the bells for 15 minutes. I will tell you something, just to be—well we played our politics as the opposition has done today. So I am not critical of that, but we orchestrated votes

at about quarter to five when we knew that the Minister of Health and a few other ministers had snuck off, and we knew what was happening. So we would orchestrate a vote as you did today, as the member for Thompson (Mr. Ashton) did today by challenging the Speaker's ruling because he wanted a vote. I mean, it is so obvious. I have no argument with that because we did that at the same time.

My argument is that two innocent people got snookered today, one especially. The member for Wolseley (Ms. Friesen) was told by the member for Flin Flon (Mr. Storie), listen, we think their number game is down, and I want to tell you, yes, our numbers were down. Our numbers were down, because I also have to say that we still have members on our side and ministers on our side that make a living from farming, because for them there is a life after politics and they have to do some of those things. It happens to be at this time of year when a late spring necessitates the need to get out there and get your seeding at least organized. For that reason we were down in numbers, and that is fair game. You played the right cards.

But the fact that the member for Wolseley had to orchestrate that kind of a motion based on a new Minister of Education (Mrs. Vodrey) who, in my opinion, has been questioned extensively in the House, had very qualified answers all the time, and she has brought forward qualified answers. She knows her subject well. As a new minister, she wants to make sure the process—for a new minister it is not unusual to do what she has been doing. It has not been unusual at all, but she knows her subject and members know that she knows her subject.

So to orchestrate this on somebody like a new minister, as we have here, who has the ability to handle it, spoke very firmly without any notes, and made her point very clear again after we had gone into this thing—so I am saying when we have done that, we have usually targeted sort of the seasoned politicians. Remember the member for St. James, Al Mackling, on the MTS thing? We came at him very hard, and that was fair politics. I just raise this to the new members in the House here, that this game is not always fair, because what happened today was not fair, not to the people involved, because, by and large, this was political orchestration that took place.

I will tell you something. Yes, we accept that when we get elected that we will be part of it, but there are enough of the senior people around here that should know the process without having this happen. I think it is—I regard it as an insult to the Minister of Education, the kind of motion that was put forward, because I know that this individual is a very sincere individual doing a very capable job, and if we want to play games, let us do it with the member for—where are you from?—Eimwood (Mr. Maloway). I apologize, because I call him always by his first name, so the constituency maybe escapes me. Let us do it with some of those guys, but certainly—I mean, do it with the Minister of Health (Mr. Orchard) as you have tried, and you lost the battle with the Minister of Health. Almost 11 minutes short of 60 hours with the Minister of Health, and you lost the battle.

* (2040)

Then you have a new minister, and then you are going to target that minister and see whether you can break her. Well, I will tell you something, this minister will not break. This minister is going to show you exactly what it is all about, and you degrade yourselves and you insult the intelligence of that minister by putting that kind of a motion forward. I am disappointed for that reason, not that you played the kind of game you did because of lack of numbers. Use any other motion. But five minutes after Question Period started you orchestrated this thing.

I say, hey, why did you not pick a different—challenge us on the fact that the ministers were not there. We used to do that. We would say, if you do not have your ministers there, we will move a motion of nonconfidence, whatever the case may be. You cannot do that, we know that. But a Mickey Mouse motion of this nature is not actually standing anybody well in this House. If you want to bring the government down, vote on the minister's salary. Well, you will not bring the government down with that, but if you are not happy with the minister, do the normal thing, move a motion to cut the wages. That is your prerogative. It has been done many times. I remember the member for Dauphin (Mr. Plohman) when we voted his salary down to a ton of asphalt because he had his Estimates cut all the time. So there are ways of doing it, but I think we should be a little cautious in terms of, you know, in spite of the political back and forth that we have, that is acceptable to me. But to try and be insulting is

something that bothers me, and that is what this was. This was an insult because there was nothing to be gained by it.

I would like to think that all of us as politicians here should have a certain respect for one another in the general terms of debate. We can disagree—I have done that for 15 years—but let us not get down to the dirty stuff which is what I regarded this. I regarded this as a very low blow because I am prepared to debate with you any issue anytime. But I respect every one of you who has been elected in opposition as I respect my colleagues here.

To go to these kinds of tactics is what bothers me. If we come to that in politics in this House, we have a problem. We will have our differences from time to time, yelling sessions, where we will be upset and lose our cool from time to time. This was a calculated move, and I reprimand the opposition for it, and I reprimand the Liberals for supporting it. If you do not agree with what the minister does, take your course of action and bring it forward, but do not do it in this kind of way. So I just raise that.

I like being an MLA here. I like being a member of this Legislature, I respect all of you, I expect the same concern back. Thank you.

Hon. Glen Cummings (Minister of Environment): Madam Chairperson, it is not with great gusto that I arise at a time like this to speak. I am, frankly, disappointed in the opposition that they would squander valuable Estimates time which is really the time that the opposition has to ask some piercing questions to try and determine if, in fact, the department is doing what they should be doing in deference to planning and properly leading the educational programs in this province.

But I have to admit, once I get up, and I start to think about the fact that this department under this minister is leading into a lot of areas of change. They have enough guts, if you will, to go ahead with some of the change that this department is looking at, then to have the opposition stand up and put forward a featherweight motion such as we had this afternoon, I think that requires that a few words of response be put on the record because, frankly, it is very easy to stand up and criticize.

It is very easy to stand up and say, spend more. We do not even hear very often the opposition saying spend differently. But they have managed to contain some of their rhetoric in the last number of days when going through the Department of Education finances but do not seem, from what I

have heard of the discussion, to have grasped the idea that there are some fundamental changes that need to be made in education and the educational programs in this province.

I see the member for Wolseley (Ms. Friesen) nodding. Well, maybe we are starting to get through to at least one of the members over there. Because it is time that we started to have the debate in this province not about whether or not you are spending X number of dollars to support individual students, because we have seen the figures that have come out recently.

Spending in this country or in this province, if you wish to be specific, is not necessarily equal to the achievement that we are attaining from our students, nor is it necessarily equal to the training that they have as they go forward to look into the job markets and to attain good-paying and sound jobs. That is what this debate really should be about, is talking about redirecting the training and the colleges in this province, so that the students who go there have an opportunity to enroll in programs that industry wants that there is a demand for.

If anybody on that side is so naive as to say that there should not be change or to think that continuing the same list of programs that have been in place for years in this province, if that is their answer to better training, simply for the reason of saying that there are X number of students being trained, then they are further out of step than even I think they are, because that is the challenge that this minister is beginning to address very directly.

As a result, we are going to see some very positive actions in this province when it comes to the type of training that the students will have available to them, because it will be more tailored to the type of jobs market that is out there in the workplace today.

I have not yet heard, and I have not heard all of the discussion, but I do not think anyone has heard very many intelligent suggestions from the other side about what some of that direction might be. It is very easy to be in opposition and criticize, and I spent a period of time there myself, but if we are going to really look at what the Department of Education is doing, then let us spend this valuable time that the opposition is putting into Education Estimates talking about those issues.

I think that it really is a red herring for the members to start talking about the fact that the minister is checking with staff on certain of her answers,

because there are members still sitting in the opposition benches that took far longer in their Estimates process than what this minister is taking. I sat through those Estimates, and I can tell you it was like watching paint dry.

Mr. Plohman: That is what this is.

Mr. Cummings: Well, the member for Dauphin (Mr. Plohman), the old expert bridge builder, says that this is somewhat like watching paint dry. I can tell you that this is strong paint, because the changes that are going to be made in the name of education in this province are a lot more significant than anyone in the opposition seems to be prepared to even talk about.

That is the disappointing part about this debate, the fact that we are spending—[interjection] It is the opposition's time. We are spending three or four hours of their time when they could be asking some intelligent, piercing questions, and what are we doing? We are debating whether or not the minister wrote down some notes and spoke from those notes when she was answering the questions, on an asinine basis upon which to have a vote. The only thing that they wanted to have a vote for was to make sure they got something on the record. I see the member for Dauphin has come to life.

Point of Order

Mr. Plohman: On a point of order, it seems that the Minister of Environment is not aware of the issue before us on the floor, and I wonder if the minister could read the motion again, because he seems to think it deals with reading of notes, as opposed to what the actual issue is. If the Chairperson could read the motion, I am sure the minister would be able to make more relevant comments.

Madam Chairperson: The member for Dauphin indeed does have a point of order. The debate is relevant to the motion and the motion before the committee is, and if it is the will of the committee, I will read the motion.

I move that the committee condemn the government for its lack of planning and support for community colleges, its failure to respond to the needs of the thousands of unemployed in Manitoba and to the immediate needs of the hundreds of students waiting for training in this province.

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* (2050)

Mr. Cummings: When I talk about wasting time in the Legislature, as we have been doing for the last couple of hours, there were two motions, one which has been voted upon and one which we are still debating. Of course, the first one was, as I indicated, regarding whether or not notes should be read in this Chamber.

If the member wants to talk about some of the more critical issues, then he should perhaps take aside the Education critic for his party and have a little chat with him, because in the 1991 Estimates process, he spent a lot of time there talking about the fact that we just accidentally came in at the same level of funding for Education as Ontario. I would hope that the member for Dauphin (Mr. Plohman) or none of the members over there would be advocating that we go to the type of hack-and-slash that Ontario has done to their Education budget this year.

I think what we have seen are responsible actions on the part of this government which says that there not only needs to be importance put to Education, but importance on how that budgeting is carried forward. One of the criticisms that the members of the opposition like to raise in relationship to our community colleges is that there is the changing in the programming. They seem to think that whether or not there is a program in place is almost irrelevant from whether or not there is demand for some of those trained personnel who may come from those programs.

An Honourable Member: You find that in the private sector.

Mr. Cummings: The member for Dauphin likes to coach me. I take it that he is opposed to any kind of hiring of services from the private industry. I think I heard the Minister of Education (Mrs. Vodrey) reading back to him not very long ago a statement made by one of his previous colleagues about the value of providing an educational program through private sector and taking advantage of those programs that could well be provided very efficiently through the private sector and come out with as equally high a standard of training, or I suppose you could even go on to make comparisons that there are those who would argue that it could even be better.

When I look around this Chamber, Madam Chairperson, and with due reference to the minister's staff and the staff that are waiting on the sidelines to get on with the Estimates process, I

would hate to put a figure on the amount of money that we are tying up getting into this debate rather than asking the kinds of questions that I know the member for Wolseley (Ms. Friesen) would like to get on with. I know that she would want to ask some detailed questions about the prioritizing of the expenditures, some detailed questions about the type of training that there is a market demand for out there.

I am sure that those are the kinds of questions the member for Wolseley would be far happier asking than listening to members on this side tell her why she and her colleagues are not making the best use of their time in this Legislature.

I would suggest that one of the unsaid problems the opposition has this evening is that when their Health Estimates began to fall on hard times last week, when the critic for Health all of a sudden ran out of steam, they decided that perhaps they could make a little sideshow in Education and spend a little time in here.

Maybe Don Campbell would choose to write an article. I wonder what kind of an article he will write? Will he talk about what a joke it is that the opposition wants to spend this much of their time when they could be pinning the government to the wall on its issues? Is that the kind of article you think maybe is going to happen? Is that what you are looking for? Did you give him a draft before you came in to call the vote? I think that may be what happened. That just goes to show the type of criticism that the public is going to be heaping on the opposition by the time this little event is over with.

Madam Chairperson, the Department of Education has been dealing with a number of issues going back to the curriculum review and with the financing of some of the infrastructure of the universities, funding that was left very sadly by the present members of the opposition. When they had an opportunity to make some decisions that would have meant something to education in this province, they chose not to. In the days of 15, 16 percent growth in the economy of this province, where were they? Not one of them stood up and said, today is the day that we should have eight or 10 percent growth in funding to Education to make sure that we have something in place for the generations of the future.

No, they squandered that opportunity and left it to this government to make sure that we have to make due with less dollars, but we have to make sure that

we put them in the right place in order to achieve the type of accomplishments that our students are going to demand from us.

An Honourable Member: No, one of them did get up in 1988.

Mr. Cummings: What did he ask? There was one member in 1988 who understood the folly of their plans. It was a rather significant day in 1988, I might admit, as well.

The members of the opposition seem to take some glee in the fact that we now have—I think I am about the fifth member getting up to speak on this side of the House. The fact is, no matter where that member is to whom we refer to so fondly from the spring of '88, no matter where he is today, he probably did the people of this province a significant service, because the trail of ineptitude that was left from that '86 to '88 government is still haunting the people of this province, not to mention the previous four years. [Interjection] Well, that was the day that Jim Downey did the hurdles.

Madam Chairperson, it is obvious that if we were to spend as much time in asking piercing questions in this Estimates process instead of playing with the political heartstrings of the people of this province, we could accomplish some meaningful dialogue in this House.

The critic of Environment sees some humour in that. The fact is, the time that is spent here not asking those piercing questions is time that is not going to be available to ask me questions in Environment, to ask questions of the Minister of Agriculture (Mr. Findlay), which I am sure the member for Dauphin (Mr. Plohman) wants to get into agriculture. That farmer from St. Vital has a lot of questions that I am sure he wants to ask the Minister of Agriculture.

So why does the opposition not want to get into that kind of a discussion? Because they are afraid to get into that discussion. They want to create a political whirlwind here to try and avoid having to ask some real questions on some of the departments that they, unfortunately, do not have enough knowledge about to get into some detailed questioning.

Unfortunately, some of my colleagues are sitting back here, including myself, saying, well, if they are going to continue to eat up the Estimates clock, blow their time on this type of a discussion, then perhaps it will be less time they will spend asking us those questions, and I think that this Minister of Education

(Mrs. Vodrey), considering the answers that she gave to you around five o'clock this afternoon, some of you over there may well wish that she would go back to using notes when she is speaking, rather than tell you what she really thinks is going on with the type of opposition that we are getting from the membership across there.

In fact, I suggest that maybe there are a few copies of this Hansard that we are compiling this evening that I might want to circulate to the school divisions in my constituency. Maybe I will send a couple over into Dauphin, maybe send a couple out to the north end of Winnipeg because some of the discussion that is being put on the record here, I think, will be really useful to the electorate when they start to look at what kind of government they think they are getting, between the combination of this government and the opposition, and this is a colossal waste of the taxpayers' dollars.

We should be putting the time to good use asking some decent questions about what is going on in the Department of Education, rather than, of course, as the member for Dauphin (Mr. Plohman) does not want to do, ask the Minister of Education some questions.

Madam Chairperson, I think I will wrap up my comments at this point, and I will encourage the members of the opposition to do a little homework tonight. We might be here a little late. Maybe we will go to twelve or one o'clock, something like that. But after that I hope that they will open up the books in the morning, do a little homework, so that they can ask this minister some intelligent questions.

Hon. Harry Enns (Minister of Natural Resources): I am delighted to join this debate. I happen to be one of those people who enjoys the House. I spend quite a bit of time in the House. I recommend it to some of my colleagues. We will be in government for a long time, you can depend on that.

I try to refrain from reaching back into how things were in the past, but forgive me. I certainly do not want to offend your senior people here, a fine deputy minister and his staff and some of the other staff that you have in the public gallery, but what we are doing here this afternoon and this evening, to some extent, reminds me of the day when staff was not permitted in the Chamber.

My first set of Estimates that I brought to this Chamber was under those circumstances. Like everything else, everything has its benefits and its

drawbacks. Certainly with the availability of staff, the minister is called upon, is expected, to have the minutest detail to any question that honourable members opposite ask, and that is fair game, I suppose, if that is how opposition members wish to spend their time in asking and inquiring about the affairs of any department of government. But it certainly loses something in terms of how we conduct ourselves generally on the issue before us.

* (2100)

With the virtual exclusion of all other members, it becomes a one-on-one situation of the departmental critic of the opposition and the minister involved and the other members sit on, sometimes quietly in support of the minister, waiting, I suppose, for a moment like this where we can come to a more lively participation in the Estimates process.

What have I learned in the last little while from the honourable members opposite? Particularly my friends—and I do like to refer to them as my socialist friends. People do not say that often. You know, we refer to them as New Democrats. First of all, the word "new" is totally nonapplicable anymore.

What we see opposite, and I am really surprised at the reactionary, conservative position that we have heard from the New Democrats in such a consistent way. I mean, my understanding—limited as it is, farm boy that I am from the woodlands—the word "reactionary" is applied to a group of people who resist all change, who wish to just stay in the rut that is there before them.

Madam Chairperson, they resist with a passion any change, for instance, that is put before them, whether it comes from the Minister of Health (Mr. Orchard) on the question of psychiatric nursing and so forth. These are not changes that have just come up—I am glad the critic for Health has joined us—but these have been changes that have been advocated for years by people directly involved in that case within the mental health community. Finally, we have a Minister of Health, we have a government of health that is prepared to do something, and what do we have from our friends the New Democrats, who ought to be the party of new ideas, who ought to be the party of innovation, who ought to be the party of leadership? They resist.

This government, the former Minister of Education carrying on by the policies of the current Minister of Education (Mrs. Vodrey), brings in new governance to the community colleges, the issue

which we were at in terms of the place of our Estimates. A different approach, an understanding, and not one that just was dreamt up within the bowels of our own caucus or the ministry of Education, because there was an understanding, there was concern that it was not just a question of dollar allocation. It was a question of meeting community needs. It was a question of readdressing the kind of way that we want to equip our young people. It was a plea from the outside world that said, we need to be in on the decision making at the community college level.

This government, under the previous minister and this minister, is doing it and what do we get from honourable members opposite? Resistance, resist in change, reactionary change.

I find it ironic, quite frankly, but I have to say so. The habit of just automatically increasing taxes has become so ingrained in all too much of our governments, then when we have a Minister of Finance (Mr. Manness) and we have a government that for five successive budgets does not add increase to the tax burden of the people of Manitoba, that is considered to be an innovative and new approach.

What do the honourable members opposite do? They resist that change too. They call out for increased taxation measures virtually every day that they get up on their feet and speak to us in this Chamber.

Madam Chairperson, one does not always have to actively participate, but for those who take the time and spend time in the Chamber, there is always something to be learned. As I sit at my desk and listen to the positions being put forward, in this instance in the ministry of Education, on other occasions the ministry of Health, the ministry of Family Services.

My goodness, what kind of nonsense did we hear from members opposite when, within the whole administration of Family Services, fundamental change was required and fundamental change took place?—quite frankly, one that I think that is generally applauded by the general public. What was the reaction from honourable members opposite? Again, resistance to change.

They felt comfortable in that reactionary, conservative mode that they have built for themselves. Then, with some irony, they like to refer to themselves as the New Democrats, the party of new ideas, the party of new initiatives. I

know that my critic understands what I am talking about. That is why she has moved into a chair other than her own so that she will not be tempted to respond to me, because I suspect that she has some new ideas, new ways of doing things that she would like to put on the record and advocate on the part of those of us in government.

Well, Madam Chairperson, for a brief period this afternoon and this evening—I regret the circumstances, because I believe that our collective time could have been put to better disposal. I believe the collective time of the minister's staff could have been put to better disposal, although, and I am sure they will agree, it is always time well-spent to be, so to speak, within the bosom of us politicians as we argue back and forth.

I would not really want to suggest that that is wasted time, but I am sure, on the other hand, phone calls could have been made, policy initiatives could have gotten underway, and the likes of that. But, no, here we are, because we have an opposition which fundamentally is arguing against change and, in this case, change that cries out for the making.

I am not going to, and I do not, present myself as a person steeped in the education policies of the department or of this government, but I read, like other people read. I listen to reports that come out that pass judgment or comment on our system. More importantly, I meet and talk to youngsters, teenagers, who are currently in the system, all too many of them finding it difficult.

It is a difficult situation for the department, for any Department of Education, to adjust to the rapidity of change that is occurring in our society today. To suggest that, to criticize, particularly to use the kind of language that the honourable member for Wolesey (Ms. Friesen) uses in this motion that is before us, that speaks of lack of time and consideration, lack of planning on the part of this ministry. I would accept as legitimate if they thought that the planning and the thought and the consideration that we had gone into was wrong or was going in the wrong direction, but do not accuse this ministry, do not accuse this government of not taking the time to plan, not taking the time to think, because the fundamental changes and moves that have been taking place within community colleges did not happen overnight, did not just begin with this minister. They took two, three years to formulate it, and they are being carried out now. So the

language contained in the motion before us is offensive.

* (2110)

What is it that you precisely think is being done in an unplanned and unprepared way? Now members opposite cannot truthfully answer that question. Madam Chairperson, I want to say one thing. It was just a refreshing demonstration of this Minister of Education's (Mrs. Vodrey) commitment and talent when she, after the dust had settled and she decided to wade back into the debate, did precisely that, which I think behooves the cause of education well. I think that honourable members will hear a great deal more of her in the style that she delivered just prior to the supper hour adjournment.

Well, Madam Chairperson, we can carry on this discussion at some greater length, and we no doubt will. I know that there are other colleagues who wish to take this opportunity to express themselves of their concerns about the manner and way in which the oppositions have conducted themselves in this instance. I can assure you of one thing. Many of us who normally would not have gotten into the recorded journals of the debates of the Department of Education now found an opportunity to do so and are thankful for it. Honourable members will have to wonder at the conclusion of this day just how much they have gained.

Hon. Darren Praznik (Minister of Labour): Madam Chairperson, members opposite call for the question. I am somewhat surprised. They always make comments about the importance of parliamentary debate and the importance of the opportunity for members to speak to matters before this House.

I am not going to get into the debate as to what happened in this Assembly this afternoon. Obviously members opposite chose a day today when we had one of our members ill. The member for Minnedosa (Mr. Gilleshammer) was unable to be here and other members had responsibilities on their farms, and that is all within the realms of the activities of this Legislature. I acknowledge that.

I think my colleague the Minister of Highways and Transportation (Mr. Driedger) spoke at some length about the tradition when this party was in opposition on that side of the House and some of the things that it did to force votes, and all of that is fair game in the debates and the proceedings of this House,

Madam Chairperson, and I am not going to comment on it any further than I have already done.

Madam Chairperson, what I would like to do today or this evening in this debate is speak a little bit about the resolution moved by the member for Wolseley (Ms. Friesen), because I know there is always a tendency, when members come into this House, to view the world in which we live as if it began only on the day in which a government came to power. If there is one thing that I have learned, and I admit when I first became involved in politics I was somewhat guilty of that role or that viewpoint from time to time, but one thing I have come to appreciate in my four years as a member of this Assembly and year and a half in the cabinet, is the long-term effects of decisions that are made.

Madam Chairperson, what is so evident as we look at our economy today as it goes through a tremendous period of restructuring, I have spoken in this House before and I am of the view, and I make this prediction that as we turn the century in a few short years, in eight short years, we will look back upon this decade of the '90s as an economic revolution that will have rivaled the industrial revolution of a century and a half or so ago or two centuries ago. There is no doubt that our economy, our society is going through a tremendous restructuring revolution, some may call it crisis, whatever terminology you want to apply, but change, change is the essence of what we are undergoing.

I have made the argument in this House before many times—because I think education is a very important part of that—that over the last 20 years we as a society have avoided pressures for change, restructuring, reform by buying our way around them, by buying our way over them. The accumulated effect of not dealing with those changes has added up and compounded the crisis, the challenge, the restructuring that we are now having to face today.

In the area of education, I think, as our minister has discussed from time to time, and her predecessor the member for Roblin-Russell now Minister for Rural Development (Mr. Derkach), the tremendous challenges that face that department are gigantic. I do not think any of us deny that. They are there because for decades now we have really failed as a society, as a Legislature, as government, not this government, but governments of this province to come to grips with those issues.

Madam Chairperson, a few weeks ago I had the opportunity to meet with a number of small business men, business people from our capital city who were employers of small firms, 20, 30 employees. In one particular case the gentleman was telling me where they were getting into some specialized training. What the individual discovered was that a couple of the employees that have been long-service employees to this firm were unable to properly read.

They were long-service employees. These people were in their early thirties, around my age, they had most of their education in a period when New Democrats were in power in this province. I am not blaming members opposite for that fact, but that is true; most of our education came during periods when New Democrats were in power. Here were individuals who worked for this firm five, six, seven years who were able to hide their inability to properly read and write. This revelation came forward. Some work was being done and this problem was identified, and these individuals said to me that more and more people who come forward to apply for jobs are unable to have those basic skills they need to do the jobs.

So there is no doubt we know there is a problem, but it is not a problem that arose overnight. Those individuals who are in our work force today, who have been there for a number of years, who do not have the basic skills and training that they need to do their job, even if it is skills of literacy, did not receive their formal education while this government was in power. They received it over the last two, three decades, and one has to ask: Why were these things not caught? Why did the system not deal with these issues? There were people who had graduated from high school. Why were they not found? Why did they graduate from high school?

Those are questions with which all those people associated with education over the last 20, 30 years have to answer. The answers are not easy. Reality is difficult and it is there.

The member for Wolseley (Ms. Friesen) condemns this minister and this government for lack of support to community colleges. Madam Chairperson, as minister responsible for the Civil Service, I have had some involvement with this issue, as the restructuring of our community colleges has taken place, and what I have heard is not so much a concern about restructuring and getting those colleges focused on the market, but I have heard concern by people who had their own

world in those community colleges as instructors and now felt very threatened, and that is a natural feeling. It is there.

But community colleges were never built for instructors. They were never built for administrators. They were not built for Ministers of Education. They were built for students. When you talk to students, as I do, from my constituency who go to those colleges, what comes back over and over again is outdated curriculum. Outdated curriculum, Madam Chairperson, where the skills that were being taught, the information that was being taught were out of date for what was required by the job market.

I recall—which is not too far in my past, my experience in our universities, and I am a graduate of two universities in this province, the University of Winnipeg and the University of Manitoba—back in the 1980-81-82 period—[interjection] Well, the members of my own caucus joke with me. I can tell you my sitting MLA did not send me congratulations. That is why I did not vote for Howard Pawley.

* (2120)

I remember my days in those universities. I had the opportunity to sit on the senate at the University of Winnipeg. What amazed me at that particular time was the waste, inefficiency, the unresponsiveness, particularly in the case of the University of Manitoba, a very large institution.

I say this to the member for Wolseley (Ms. Friesen), what shocked me the most when I became a member of cabinet and when we went through the Estimates building process was the lack of accountability to the taxpayers of our universities, where they did not have to come forward and justify where they expended their money, they just said, write us a check. [interjection] The member for Wolseley agrees. I am glad to hear that, because I think that is important that that become part of the public debate.

I say to the member for Wolseley, one of the most disappointing moments in the last year that I have had is when we have had to go out on the steps of the Legislature and meet a small group of angry students. I know some from my riding who were told by their professors to be there, how important it was. What percentage of the cost of education is represented by salaries and benefits? Some 85 percent, and the students were there.

These are supposed to be the cream of our province, our brightest and best, and in a world

where many go hungry they were throwing eggs. In fact, they did not even care who they threw eggs at. If I remember correctly, the Leader of the Opposition (Mr. Doer) was the greatest victim of the eggs. These people did not know who were their friends, enemies, whatever. All they knew was they were going to come here—our best and brightest, supposedly, in a world where many go hungry in our own city—and throw eggs.

What have they learned? What kind of signal? We remember the earlier demonstration of the students at the university, not all, a small group, when some poor individual who parked his car over on Broadway, put money in the meter, who has probably paid his taxes without fail for all his working years, to pay for the education. What do we see in the picture on the front page of the Winnipeg Free Press the next day but one of these people jumping up and down on the car. Not a government car, not a car for someone who is a member of the Legislature, but some poor member of the public.

Now, I come back to my disappointment with our university system, which I know the minister and I got an opportunity to speak about on many occasions, the disappointment because of the vested interests in such a large institution, and that is only natural. I do not say that in a vindictive way. I do not say that in a way that is meant to be attacking people there. I simply say that the nature of a large institution is to protect itself and maintain the status quo.

Some of my colleagues may not fully appreciate this remark, but I will tell you there is no institution that is more small "c" conservative than some of these large ones that are so afraid to change and get on with the realities of the world. So here we are in government expending \$1 billion this year on education. That is approximately \$1,000 for every man, woman and child in this province on education.

In the private school system, we as a society have put more and more on to that system every year, where we have expectations of them filling in for being parents, for counsellors, for dealing with social problems that 10, 15, 20 years ago they never had to deal with. We put all of that on the system, yet we have powers of control. There are changes being forced into the system by the realities of the times, to find ways of doing things more efficiently. But here we are with our universities, our post-secondary education, with very little means to control those expenditures.

I want to share with the members opposite a problem I have in my own department, and I am sure we are going to get into this in Apprenticeship and Training, but it ties in to this resolution and the issue of training. I have a very small part of training in this province that I am responsible for in the Department of Labour, and that is the Apprentice and Training Branch. Do you know that over the '80s under a host of New Democratic administrations—I am not trying to be overly partisan but I think it has to be on the record—that branch ran down and ran down and ran down to the point where some 40 trades advisory committees were never meeting to develop curriculum. We come back to our community college problem, curriculum. They were not meeting.

New director. The director took on the chair of each of those committees, some 40-plus committees, and met, got those committees up again, working again to develop curriculum. We still are not doing enough. We still have to put that in place, but what is amazing, and I say this to members opposite—I am not holding the member for Wolseley (Ms. Friesen) responsible. She was not a member of this Assembly, but I am just trying to point out that this is an ongoing problem that has been there, and there is not perfection in any party. But in the '80s those committees wound down to the point where they were doing absolutely nothing in curriculum development in one of the most important areas of education and that is our skilled trades, the people who run our machines, the people who do our electrical work, the people who have the skills that we are always talking about. We in Manitoba let those committees wind down to being totally ineffective.

It took a great effort to get them going and we still are behind, we still have a long way to go, but we started with very little. Some of the members opposite who were in the Legislature at that time, the current member for Broadway (Mr. Santos), the member for Elmwood (Mr. Maloway), I have to ask them, where was the pressure on the Minister of Education in that day to look after that particular issue?

Madam Chairperson, there is no doubt that there are a host of problems in education, problems, challenges, whatever you want to call them. The fact we do know is we spend one big pile of money on education. We spend one big pile of money on post-secondary education, and the people who pay

that money—it is not our money here; it is not your money. It is the money of the people of this province who get up every day and go to work and do a job and pay their taxes, and we are only the trustees of that money. They are saying to us, why, when you take so much out of our pockets, why are we getting students out of our system who cannot read and write? Why are trades advisory committees not meeting and developing curriculum? Why are our community colleges not functioning the way they should be? That is not a question today. That is a question that has been developing all through the late '70s and '80s. Why?

I am sure if the member for Wolseley (Ms. Friesen) would have a private chat with some of her colleagues and friends who were Ministers of Education in the New Democratic years, that they would express to her, privately, many of the frustrations that our colleague, Mr. Derkach, the member for Roblin-Russell, and Mrs. Vodrey experienced in getting into these institutions and forcing the changes that they should be doing on their own.

Because you know something? We, as politicians, I believe, often get hoodwinked from time to time, because we are not the experts. We just happen to be representatives of the people, elected by the people. We get hoodwinked from time to time by the so-called experts in the departments in these big institutions, whether it be a community college or a university. They tell us all the wonderful things they are doing, and they make it sound wonderful. We come in here, and an opposition member will get up and make a statement, and we defend. We carry on debates for which we are set up by the self-interest groups in the system.

Madam Chairperson, we all have to rise above that. Members opposite may disagree with some of the specifics of reform that the former Minister of Education began, some of the things that the current minister as she gets her hands on the department and builds her own knowledge-base and experience-base as a new minister does. They may agree with specifics. But one thing is certain: reform is taking place.

Reform is never easy, because you change the status quo. You threaten those who have been comfortable under the status quo. There are many in the system who welcome that change. There are many in the system who work with the government in making that change. Those are not the people

that the opposition hears from unless they seek them out. They hear from those who feel threatened. They hear from those who may have a specific beef—some legitimate—in a specific area of change, because no change comes without some grief and without mistakes.

* (2130)

I think all my colleagues would be the first to admit, we do make mistakes from time to time. Our officials make mistakes from time to time. Part of the responsibility in allowing people to do their job in departments is to allow them to make those mistakes as long as they are not malicious. But the move of reform has to go forward and is going forward.

The member for Wolseley (Ms. Friesen) speaks in her resolution about thousands of unemployed in Manitoba waiting for retraining. Well, over the last 20 years, where has our province been? Where has it been?

Madam Chairperson, I recall going to the high school in Selkirk which was a so-called trades post-secondary school. I remember many of my friends, in the machine shop area and the power mechanics area, all being told that this is great. They go into this because they cannot do academic work, discouraged from taking Math 300 but feeling really good because they would get their diploma in a so-called trades area.

What happens? They get their diploma. They are 18. They get a good job at the local garage or in some shop, et cetera. They are making good money for an 18 year old. Now, they are 22 or 23, and they say, well, now I am going to be a tradesperson, I have got this diploma.

They go into the system, and what do they find out? They have to start again, because the Department of Education—and I am talking about programs that go back through the '70s and '80s, programs started by New Democratic governments, programs that were in place, some going back to the Roblin years. But again, so-called experts in the department developing programs and no coalescing of those skills and curriculum, so that poor student, now 22, 23, maybe with family responsibilities, wants to become a fully qualified tradesperson, has to start at zero.

We are now trying to correct that, but why is it left to us 20 years after the fact? Where was the member for Broadway (Mr. Santos)? Where was the member for Elmwood (Mr. Maloway)? Deep in

thought in their books, their travel brochures, deep in thought but not on the issues that are important to working people of our province. So now we are left with those problems to correct, and, although not perfect and nothing is perfect, we move forward on them. Yes, there are thousands of Manitobans who need opportunities to retrain. We have to ensure, as the Minister of Education (Mrs. Vodrey) is trying to do, that our community college system is responsive to the marketplace. People want training, but they want training for skills that they can then sell in the marketplace that will mean jobs for them and their families. They do not want to go into training just for the sake of filling classrooms so that professors or instructors can earn their living.

You know, my own experience in the apprenticeship and training side, we have lots of work to do in that branch, and our branch, we have empowered them with the authority to make some of those changes. They are now with the Department of Education working towards that integration where we can have training for life. The challenge today is to see our institutions—community colleges are on track, and there is no doubt there are going to be difficulties and those are going to be raised in the House, but the general direction is the right one.

The challenge is going to come in our so-called independent universities. They have to become accountable, and they are accountable to the trustees of the taxpayers who fund them, and they are accountable to the students they teach. As I said before, I recall my days not so long ago in our universities in the places where I have seen, time and time again, where money was wasted, where money could have been spent on better things.

I ask as well, in very tough and difficult times, I ask our university faculties, I ask our staff at universities, to bear part of the burden. We as members of the Legislature unanimously voted last year to freeze our own salaries as trustees. Did that occur in universities? I know there are some who argue that administration was not really getting into where the waste was, and would not do it until that happened. Then they should continue to pursue that with their administration, because we, ultimately as the trustees of that public money, and the students, who are the products of those universities, demand that they reassess what they are doing. I know that it is a difficult task, but I know that this Minister of Education, as her predecessor did, will continue to

work hard and diligently to ensure that education in Manitoba meets the goals that the people in this province have set for it.

Thank you, Madam Chairperson, for the opportunity to participate in this debate. Question?

Madam Chairperson: Is the committee ready for the question? The question before the committee is the motion by the honourable member for Wolseley (Ms. Friesen). All those in favour of the motion, please say yea.

Some Honourable Members: Yea.

Madam Chairperson: All those opposed, please say nay.

Some Honourable Members: Nay.

Madam Chairperson: In my opinion, the Nays have it.

Mr. Steve Ashton (Opposition House Leader): I would ask for a recorded vote.

Madam Chairperson: A recorded vote has been requested. Call in the members.

* * *

Madam Chairperson: Order, please. In the section of the Committee of Supply meeting in the Chamber to consider the Estimates of the Department of Education, the honourable member for Wolseley (Ms. Friesen) moved the following motion:

I move that the committee condemn the government for its lack of planning and support for community colleges, its failure to respond to the needs of the thousands of unemployed in Manitoba and to the immediate needs of the hundreds of students waiting for training in this province.

This motion was defeated on a voice vote. A recorded vote was requested by the honourable member for Thompson (Mr. Ashton).

The question before the committee is the motion of the honourable member for Wolseley.

A COUNTED VOTE was taken, the result being as follows: Yeas 24, Nays 26.

Madam Chairperson: I therefore declare that the motion is defeated.

Committee of Supply to continue. This section of the Committee of Supply is dealing with the Estimates for the Department of Education and Training. Would the minister's staff please enter the Chamber.

We are on page 43, line 5.(b)(1) Salaries \$904,100.

* (2200)

Ms. Jean Friesen (Wolseley): Madam Chairperson, I have some further questions to ask on the vocational schools under this section, when the minister's staff are ready.

Madam Chairperson, there is quite a long list of private vocational schools registered in Manitoba as of March 1992 for which the department is responsible for administering The Private Vocational Schools Act.

I wanted to ask the minister particularly about the methods of inspection, evaluation and curriculum evaluation in these private vocational schools. I wonder if she could perhaps begin by outlining for me the department's responsibility in those areas?

Hon. Rosemary Vodrey (Minister of Education and Training): Madam Chairperson, I believe we discussed this in Estimates probably one or two sittings ago, where we discussed the curriculum review process where schools are required to submit a course outline for review by the vocational schools program review committee and that recommends approval to the minister or the designate who approves the course.

Just so that the member is aware of who comprises that committee, it is comprised of Manitoba government employees, owners or operators of the private vocational school registered under the act and persons engaged in the activity and with expertise in the area submitted for review, and by way of example, that of a licensed hairdresser.

The monitoring process is one in which we have also spoken of. Schools are monitored by the private vocational schools administration through, first of all, the screening of the registration of applicants, the annual onsite visits to all schools excluding the correspondence schools and the annual survey of all students enrolled in the preceding year as a follow-up.

Ms. Friesen: Could the minister expand on the screening of the schools? I am particularly interested in the certification of teachers.

Mrs. Vodrey: Madam Chairperson, the teacher is required to sign a declaration form to ensure instructor qualifications comply with the minimum regulation and that is to be signed by a commissioner for oaths.

Ms. Friesen: I am not clear on what the minister means by to comply—in fact, I cannot quite remember how she phrased it. There is a declaration by the teacher that is signed by a commissioner for oaths. What comprises that declaration, for example, in a floral art college?

Mrs. Vodrey: The qualifications, and the phrase that I used was that qualifications comply with the minimum of the regulation, and that obviously varies according to the practice of the particular vocational institution and the content of what they are teaching, so it does depend upon the course, but we will be happy, at the next sitting, to table the form for the honourable member.

Ms. Friesen: Thank you, I would be interested in seeing the form, but what I am looking for is the industry-wide standards that I know the minister is concerned about in Workforce 2000. I know she is concerned about it in community colleges. This department is also responsible for the private vocational schools. For example, what kind of industry-wide standards is the minister looking for in trucking, for example?

Mrs. Vodrey: Again, it does vary by way of occupation. We do look for what the formal training of the instructor is, what formal training they have obtained and also the number of years of related experience of that individual teacher. However, I am informed that by tabling the regulation, this may clarify what the member is looking for.

Ms. Friesen: I was not aware the minister was going to table the regulation. I thought she was tabling the blank form that they were required to—so which is it?

Mrs. Vodrey: We will be happy to do both, both table the form and table the regulation.

Ms. Friesen: Are there regulations for each of the industries represented in the vocational schools, or is there one regulation which can apply to everything from floral art to business schools to driving schools to electrolysis, for example?

* (2210)

Mrs. Vodrey: Madam Chairperson, there are two parts to the registration. First of all, there is the registration of the instructor and then there is the registration of the school. The registration of the school is then reviewed by the Curriculum Review Committee which I have spoken of in an earlier answer.

Ms. Friesen: Madam Chairperson, my question is related to the registration of the teachers. What I am looking for is what kind of standards has the ministry established in this area? She spoke at one level of a duly signed declaration. She also spoke of years of practice. I am wondering how each of these is established in writing by the minister. Does it differ from sector to sector? What other standards are there?

Mrs. Vodrey: Madam Chairperson, again, to repeat the answer, the regulations set a minimum requirement and then within the individual occupations we do look, as I said, at the formal training and at the years of related experience. So it may, again I remind the member, be somewhat easier to understand when I have tabled the two documents which I have promised to do.

Ms. Friesen: Madam Chairperson, the reason I am pursuing this line of questioning is that one of the policies of this government in terms of post-secondary education has been to take from the community colleges and put into private institutions a considerable amount of what the government believes to be the low-level entry programs. Some of these programs are also supported by student aid. Some of them are supported by Workforce 2000 money. I know, and certainly this last fall, that these private vocational schools experienced quite an upsurge in enrollment as the result of government policies.

So what I am looking for is the criteria that the government has for the training and educational conditions of these schools. We certainly may disagree with the route that the government has taken in privatizing parts of education, but equally so and beyond that, we must have concerns for the level of education which students are receiving in these institutions. So, for example, there are a number of trucking companies here—Reimer trucking company, Merv Orr trucking company, a number of which I believe also receive funds from Workforce 2000.

Could the minister in that particular case, tell me what are the educational qualifications she requires of the teachers in that industry?

Mrs. Vodrey: Madam Chairperson, following up on the example of the trucking industry and the trucking sector, Workforce 2000 provides funding to the Manitoba trucking and co-ordinating committee. It does not provide money to private vocational

schools. The funds are not used to fund individual schools.

In terms of the policy, we do provide private vocational schools as an alternate delivery. The designation for financial assistance to attend those private vocational schools does fall under a separate appropriation, 16-5(g).

Ms. Friesen: Madam Chairperson, my question has been very specific for the last three questions. What is the level of education and training required for the teachers in these schools? I have tried to reach it in a general perspective. I have tried to reach it in specific issues.

I assume that under the trucking question that the minister would have a wide range of experience, because she is involved with the trucking industry in Workforce 2000 and through the student bursaries. So I have chosen areas specifically where the department would have a wide range of experience.

My specific question is, and I repeat: What is the level of training required, the minimum level of training required for the teachers in the trucking industry?

Mrs. Vodrey: Madam Chairperson, well, I have explained the answer in at least the last three or four answers that I have given to the honourable member, but let me try again.

It does require, in the area of trucking, formal training as a truck driver, licensing under the motor vehicle act, years of experience. Instructors are then selected by industry across the various industries.

Ms. Friesen: The minister, for the first time, has spoken of licensing and formal training as a truck driver. The years of experience: How many years of experience are required as a minimum by this department as part of their consideration of the recognition of these schools. Is it one year; is it three years; is it five years?

Mrs. Vodrey: Well, again this particular series of details is best asked under the appropriation where the details will be readily available. However, I am informed that the years of experience are generally two or more.

Ms. Friesen: As I understand it then, from this department's perspective, any truck driver with two years experience who is selected by the truck driving association may be a teacher in any one of these schools.

Mrs. Vodrey: Well, I think the honourable member omitted from her list of details "and is licensed," so I would add that so that it is not forgotten. The answer, I am informed, is yes, if that individual is seen suitable by the industry. I am also informed that if that individual were to be teaching in the public institutions that the answer would be the same.

* (2220)

Ms. Friesen: The minister then has no concerns about people without teacher training, without experience in training, without perhaps even a workshop in training, teaching in these schools. Are there programs in place, for example, to begin the training of these people?

Mrs. Vodrey: At the community colleges, we do ask that instructors complete a certificate in adult education. They have approximately five to seven years in which to obtain and finish that certification. That certification is also available within the private vocational schools, and it is available to the public.

However, at the moment we are talking about the requirements which are indicated in legislation, and I will remind the member that this is legislation passed by the former NDP government.

Ms. Friesen: It is a policy of this government to transfer an increasing amount of training to the private vocational schools. Under those conditions, I am concerned to ask the minister about the changes that the minister is planning or considering for those private vocational schools. For example, she has talked about the training that is required of community college instructors. That is available also to the vocational schools.

Is there any policy on the part of the government to encourage vocational school teachers to take part in that kind of program? Are there any incentives being considered? Are there any long-term goals being held out for those teachers?

Mrs. Vodrey: I would ask the member what policy of transferring she is referring to? Because there is not a policy of this government to transfer from the public institutions to the private institutions.

Last year, the college programming was restructured. Some programs were reduced. At that time it was referenced that those programs were available in other public institutions or also in private institutions.

On the matter of the certificate in Adult Education, or even, as the member discussed, potentially a workshop in the teaching of adults, I would say that

that certainly is a matter which does warrant further consideration on the part of this government. I am certainly willing to talk about that with the program committee.

Ms. Friesen: The policy that the minister does not seem aware of is the one that is specified in the list that her previous minister tabled, looking at the reductions in community college programs in '91-92 which lists a long series of institutions for some courses which are in the private sector, for example clerical bookkeeping, secretary certificate. All of the alternative ones that are listed for those are, in fact, in the private sector. Some of the others list both, that is true. Some list Red River, some list the secondary schools, but there are a number of them, at least seven or eight, in fact, where they are only in the private sector.

I think the conclusions one would draw from that are, in some areas, the government is intending to transfer areas of instruction to private schools, and I am inquiring about what kind of protection those students have who are moving to those kinds of private institutions. One obvious concern is the area of trained teachers.

Another area of concern, of course, is the nature of the inspections that occur on an annual basis. I wonder if the minister could tell us about those. What are the criteria that those inspectors look at on an annual basis? Is it, for example, the size of classes? Is it the physical condition of classrooms?

Mrs. Vodrey: Madam Chairperson, in the first part of the member's question or statement, the courses which she spoke of within the private vocational programs, those were already in existence. They were already available to people seeking that training in Manitoba. So that was not a transference in any way.

In the area of inspectors, the inspection does consist of those areas which the member has already mentioned. It does include those. It also includes speaking with administration, with instructors and with students. It also involves a survey of students, whether those students complete the program or not, and that intensity of a survey, that scope of a survey is one done within the private vocational schools, and that scope is not yet in place for the community colleges.

In addition, Madam Chairperson, there is also a complaints resolution mechanism, which I think is very important. If the member is leading to referencing a specific case in which she knows of a

concern, then I will refer her to the complaints resolution mechanism.

Ms. Frlesen: Madam Chairperson, I am sorry but I do not follow the minister's original argument that there is no intention on the part of this government to transfer some post-secondary education to the private sector. The specific piece of paper which her ministry tabled two years ago said that there was a certain level of demand in some courses and then lists, on the right hand side of the page, private delivery-alternate programs. In several of those the only alternate programs and other deliveries, which are indicated, are private colleges—yes, those which existed before and those which, in the fall of this year, experienced an increase in enrollment as a result of the absence of availability of those programs at the community colleges.

So I wonder if the minister can explain her position that this government has no intention of transferring post-secondary education to some private institutions.

Mrs. Vodrey: Madam Chairperson, I am informed that the enrollment among the three community colleges is in the range of 40,000 students, and that last year, with the restructuring and the pointing out of the availability of some courses available in the private vocational schools, it affected approximately 100 students. So that percentage, that 100 students of 40,000 students, I hardly can believe the member is suggesting that is in fact a major policy decision to transfer or to move completely into the private vocational schools area.

* (2230)

Ms. Frlesen: Madam Chairperson, I was not suggesting at this stage that it was a major policy transfer. I was suggesting that it was part of the policy of this government in relation to post-secondary education. It seems to me that she is acknowledging that, that that is indeed part of the transfer and the restructuring in post-secondary education, that some of what was formerly done by public institutions will now be done by private institutions.

Mrs. Vodrey: Madam Chairperson, again, I remind the member that funds within the province of Manitoba—we can look at an education system and one in which Manitobans can afford. In looking at some of the programs that Manitobans can afford, we have looked at skills training. We have looked at future employability of some of the programs offered. We have restructured as we have spoken

about for the past several hours and some of the lower-skilled occupations, for instance, a manual bookkeeper, these were available within the private vocational schools, also within the secondary schools, and so the community colleges. We have focused on an area, as I said, of high-marketability, future employment.

If the member is in any way suggesting that the availability of these programs in places other than the community colleges suggests that the community colleges have then lost their significance and their importance, I will then remind her of the debate that has taken place over the past few hours today and the movement toward college governance, the introduction of new programs, which is intended to assist the colleges in becoming more responsive to their communities and in enhancing their situation within the province of Manitoba to encourage students to consider the occupations and the training which are offered at the community colleges.

Ms. Frlesen: Madam Chairperson, the issue from this side of the House has not been the new courses which have been added at the community colleges. I do not know why the minister has not been able to understand that. The issue is the overall capacity and direction of public education in the province.

What I have been asking about is the courses which have been cut and the reasons for the cutting of those particular courses. I am asking now about the shift to private education which appears to me to have begun under this government. The issue there at this stage is the level of education, the creation of trained teachers, the creation of industry-wide standards that I think students—who in many cases are having no alternative but the private sector—these students ought to be able to have some assurance of a reasonable level of education in terms of physical criteria, educational criteria and certification and transportability of the kind of qualifications which they are receiving. It would seem to me that a government which was moving—and I would have thought from their own ideological perspective would have been very proud to have claimed that they were moving to a private sector—at least should have been moving to some kind of programs in this area. That is where I am directing the minister's attention to.

I am glad to hear that she is looking at the possibility even of some short-term training for teachers in this area. I think it needs to go beyond

that. I think we need to look at certification in those areas where students are not taking specific—technical courses, for example, where there already exists external certification. I think the minister should be looking at that. I think there are certain areas of physical criteria, of space and of safety and security that ought also to be addressed. I particularly want to get back to that question, is what is on the evaluation form that these annual inspections do in the private schools? So I do not think we had really answered that. There is an annual inspection. What is the criteria for that inspection?

Mrs. Vodrey: Well, I will remind the honourable member that the legislation for the private vocational schools did originate with the NDP government, and that the registration and security are all monitored, as I have described to her. I have, as I have said, acknowledged that I will look into the teacher training required for the teaching adults in the vocational schools. I would also argue that approximately 100 students of approximately 40,000 students is not necessarily a trend, and then in answer to the issue of evaluation, yes, the member is right in the issues which she has projected.

We do look at the issues of class size, the issue of equipment and its acceptability. We also look at the appropriateness of the facility, and then, as I have said previously as well, we do have discussion with students, with administrators, with teachers, and we do have a monitoring process of complaints.

Ms. Friesen: One final issue that I want to look at in vocational questions is the transferability, the comparability of certification, and I wonder what plans the minister has for this for the vocational schools of Manitoba. There are a number of these areas, trucking would be one of them, for example, where those students who complete a course do not necessarily have a certificate which will be recognized by other employers either within the province or outside the province.

I am sure that this is a concern for any government which is dealing with business and labour, who are attempting to find their way through a new free trade environment. So I wonder what plans, what considerations, what policy—because we are looking at that in this section of the department—this minister has given.

Mrs. Vodrey: Madam Chairperson, well, the member raises the issue of portability, and I would

like to tell her that that is an issue of concern, certainly an issue that is one that, I think, is important for this department to be aware of and to look into, because we do recognize that families and individuals do need a certain amount of mobility, as the member has discussed, within the province and across the country and wherever those individuals might like to move.

We recognize that the issue of mobility and this portability of certificates and diplomas is important in both the public and the private institutions. Within the colleges we do have the formal transference only in areas where they are externally accredited programs, at the moment, and that we are looking at a review for our two-year diploma programs in terms of their recognition and portability.

Within the private vocational programs, the larger schools have voluntarily taken part in a national accreditation process which does look at issues relating to standards. Again, I would stress that this has been voluntary on their part but should be of assistance to students as they may wish to move to other parts of the province or the country.

* (2240)

Ms. Friesen: I wanted to follow up that national accreditation then. The minister says that these are in the larger schools, so that would be ones like Herzog, Robertson, Success/Angus.

I am wondering about the ones—and again I go back to trucking because there are number of examples of this across the province. What kind of certification is there for those people who go through these trucking schools, what level of comparability is there, for example, in the length of courses or the purpose of courses? Because here we have one industry for which Manitoba wants to make a strategic bid. It seems to me that is one area where the minister might want to focus and where there are not the external certificates and external qualifications that can be easily had access to by these groups.

Mrs. Vodrey: Well, it seems that the member is particularly interested in the issue of control and regulation, and I suppose that there are times when that is very helpful, and I suppose there are times that may make it also very difficult for some students, but in the case of the trucking industry, which the member has referenced, what is required is a 1A licence under The Highway Traffic Act.

Ms. Friesen: Well, perhaps we will have the opportunity to come at that in a different way then

under the Workforce 2000 area. The minister talks about control. I think what I, from my own perspective, am trying to get at is the issue of accountability, the issue of government responsibility for post-secondary education and particularly the evaluation and accreditation and certification of private vocational schools. I do not think I see this particularly as an issue of control but as an issue of accountability, which many members of her government in fact spoke to today. Can the minister give us an indication, over the last two or three years, of the changes in the vocational school enrollment? She did table a list saying that for 1991 the enrollments were 4,461. Could the minister give us an indication of how those numbers have been changing, say over a two- or three-year period?

Mrs. Vodrey: Well, we will certainly look to get those numbers for the honourable member the next time that we are sitting together, but I will tell her that I have been informed that the enrollments last year were in fact lower in the private vocational schools.

Ms. Friesen: Could the minister indicate—she talked about the changeover in the enrollments from college education to private education, and she indicated that in her view it was a relatively small amount, but she was talking there about actual student bodies I think. I think that is perhaps not always the best way of looking at enrollment in post-secondary education. I wonder if the minister could give us an idea of the change from public to private institutions in terms of training days. Perhaps I should ask first of all, do you keep those kind of statistics? Is that feasible to even ask that question?

Mrs. Vodrey: I am informed that we do keep the training days in the public institutions. We do not have the training days for the private institutions, so that kind of comparison may be quite difficult for us to discuss at this point.

Ms. Friesen: I look forward to the minister tabling the enrollment patterns of the private vocational institutions that she said she would table in the near future, but I think that we should also recognize that the figures may not be comparable to the community college enrollments, as well. That is something that we could look at, at that stage.

I have some other questions in this area, Madam Chairperson, dealing with international education and perhaps with governance, but I believe my colleague in the Liberal Party wants to ask some questions on vocational education.

Mr. Reg Alcock (Osborne): I am just looking at the private vocational schools list that I have in front of me here. I heard some of the discussion about transport and professional driving schools. I see there are a number of them here. Is C C Manitoba Driving School one of the heavy truck driving schools?

Mrs. Vodrey: Yes, it is.

Mr. Alcock: I could go about this two ways. One is, I could ask on each one or perhaps you could identify, I see, C C, Kleysen's, Merv Orr, Reimer, Right Choice—have I identified all of the heavy truck driving schools?

Mrs. Vodrey: Yes.

Mr. Alcock: Well, perhaps starting with C C Manitoba, could the minister tell us the fee that is paid for training at these schools?

Mrs. Vodrey: Madam Chairperson, yes, those details are ones that we are certainly willing to look into. We are certainly willing to table them, provided that we are not in any violation of confidentiality in giving out that particular information through this process.

* (2250)

Mr. Alcock: Madam Chairperson, I am sorry if I misunderstand the minister. Is she saying that the Legislature might not be in a position to know how much the public is spending to send people to schools that the public is funding?

Mrs. Vodrey: Madam Chairperson, I do not believe the honourable member asked that particular question. He asked a question about fees.

Mr. Alcock: I believe I asked the minister—I started with what is listed here on the list the minister tabled as the C C Manitoba Driving School, and I believe I asked the minister how much was being paid, the fee that was being paid to send people to that school. Let me enlarge upon that. Let me be very precise about that. When an individual is sent to this school, supported by the province—if they are being supported by the province—what fee is the province paying?

Mrs. Vodrey: Madam Chairperson, I believe the honourable member has misunderstood in his question, so I would like to try and clarify it for him precisely.

We do not fund, for individuals, the schools which are designated under the Canada Student Loans Program. Then students are eligible for tuition assistance, and they are assessed based on their

needs, and in terms of the student assistance program it falls under the appropriation 16-5(g).

Mr. Alcock: Madam Chairperson, I believe, however, that both provision of assistance to eligible students under the Manitoba Student Financial Assistance Program in compliance with The Private Schools Vocational Act and administration of The Private Schools Vocational Act and systems development all fall under the description of the Objectives, Activity Identification and Expected Results of Item 16-5(b) Program Analysis, Coordination and Support.

So is the minister saying that under 16-5(b) Program Analysis, Coordination and Support that they are not assuming any responsibility for The Private Vocational Schools Act?

Mrs. Vodrey: Madam Chairperson, again in that question the member has asked a slightly different question in that past question, which I believe was obviously read into the record but not stated that it was read into the record. Let me try and clarify for the member again. The province does not give money directly to the private vocational schools. The Canada student loans where the students are able to apply for the Canada Student Loans Program and also some eligible bursaries, that funding is then given to the student.

The Administration Act, which the member has referenced, does not provide funding to the private vocational schools but is funding expended in doing the activities which I have most recently described just a couple of moments ago to the member for Wolseley.

Mr. Alcock: Madam Chairperson, the establishment of the loan support rate is comprised of a number of components, one of which is the fees and supplies in attending the particular organization. For example, the one item that is increased in the student assistance that is available to students has been that portion that is directly attributable to the increasing in tuition fees at the universities. So, presumably, in order to make that adjustment one needs to know what those fees are.

Are you saying that student loans are approved for students going to the vocational schools and/or bursaries without any understanding of what the fees are in those facilities?

Mrs. Vodrey: Madam Chairperson, well, the answer is no. The member's question, his first question, and I hope that he will check Hansard if there is any doubt in terms of what he had said, he

did ask for the tuition cost of, and he used by way of example, C C Manitoba Driving School. My answer to him was, is that, yes, I will provide that tuition information, that fee information, provided it is not in violation of any rules and that we will certainly check into it, and if it is possible to provide it, we will provide it for him.

Mr. Alcock: Madam Chairperson, perhaps, I could ask this question. Would a student be eligible for a Canada student loan if they were attending the C C Manitoba Driving School?

Mrs. Vodrey: We would need to check if that particular school, by way of the member's example, is a designated institution under the Canada Student Loans Program. As I have said, when we look at those specifics, Appropriation XVI 5.(g) is the one that we need to look at.

Mr. Alcock: As it says in the expected results for this XVI 5(b) Program Analysis, Coordination and Support, compliance with The Private Vocational Schools Act—Perhaps the minister could answer this question. Which ones of the 37 schools that are listed on the document that the minister tabled, accepting enrollments for 4,461 students, are registered with the Canada Student Loans Program?

Mrs. Vodrey: The answer this time is the same as the answer the last time. I am certainly willing to check those designations for the member, but those designations are best discussed under the Student Aid Appropriation, XVI 5.(g).

Mr. Alcock: Given that this particular unit, the Program Analysis, Coordination and Support branch, XVI 5(b) is charged to ensure compliance with The Private Vocational Schools Act, why is it that the unit does not know which schools are registered with the Canada Student Loans Program?

* (2300)

Mrs. Vodrey: I think it would be important to point out to the member that registration under The Private Vocational Schools Act is different than a designation or a designation under the Canada Student Loans Program. I am informed there are literally hundreds of institutions which are designated under the Canada Student Loans Program, and of these 37 programs which the member has referenced, I have explained to him that we will be happy to look at that when we come to the issue of designation as opposed to registration. But I also have made the offer, as well,

to table a clean list of which of the schools have been designated as approved institutions for Canada student loans and the Manitoba government bursaries.

Mr. Alcock: I thank the minister for offering to table that list. Could I also ask her to include on that list—I mean, if we referenced the list of the 37 that I have in front of me here—perhaps, we could include which ones have been designated under the Canada Student Loans Program which ones are eligible for bursary support, if there is any difference between those and those that are designated for Canada student loan, and what portion of the support that they are eligible for would be comprised of the fee charged at the various schools that are designated?

Mrs. Vodrey: Madam Chairperson, again, I am informed in those schools which are eligible for Canada student loan assistance and bursary which, by the way, when they are eligible for one they would also be eligible, if circumstances require, to be eligible for the other, and they would be eligible for the whole or a portion of the fee up to the maximum allowed depending also on the number of weeks of training.

I do have in front of me, and I am prepared to read into the record, a list of the private institutions which have been approved for Canada student loan and Manitoba government bursaries, but I will also provide for the member the additional information which he has asked for.

In terms of the private institutions, I would like to list for the record—Advanced School of Hairstyling, the Brandon Flying Club, Cambrian Business College, Classic Hairstyling Academy, Custom Helicopters Ltd., Dauphin Air Services, European School of Esthetics, Golden Eagle Flying Academy, Harv's Air Service Ltd., Herzing institute, Maple Leaf Aviation Ltd., Mid-Ocean Recording Studio, Morden College, National Institute of Broadcasting, Patel Vocational Preparation Schools Ltd., Pollock Beauty School, Professional Musicians College, Reimer Express Driver Training institute, Robertson Career College, Scientific Marvel School of Hairdressing & Esthetics, Success Angus Business College, National Training Institute, Winnipeg Aviation Co. Ltd. and the Winnipeg Flying Club.

Mr. Alcock: Can the minister explain what is the difference between, for example, in this case, a school that provides training for heavy truck operators—Reimer Express driving was one that was indicated as having been approved—and the

other driving schools that apparently, as they were not read out, one assumes are not approved?

Mrs. Vodrey: I am informed, first of all, in order to be eligible, that schools must apply to be eligible, and then, when they have made that application, there is a review of the curriculum. It is also dependent upon the length of the program and other detailed criteria which we will be pleased to discuss when we get to that appropriation.

Mr. Alcock: Could the minister then tell me what the department means when she says in the Supplementary Estimates under this particular division: Compliance with The Private Vocational Schools Act. What does the "compliance" comprise?

Mrs. Vodrey: Well, the "compliance" is the compliance which I spent a great amount of time discussing with the member for Wolseley (Ms. Friesen) most recently and in this same evening.

Let me, for the member's assistance, tell him again that the compliance is through a registration process, through a process of security where schools are required to post a security to provide tuition refunds in the event of a school closure, also the process of curriculum review, also a monitoring process and also a mechanism for complaint resolution.

Mr. Alcock: Then, if I understand the minister correctly, to take the next step, which is to become designated as a school at which a student may receive a Canada Assistance loan and Manitoba bursary support to attend the school in question, has to apply, go through some further examination on curriculum and some further review before they receive that designation.

Have any of the other driver training schools made that application?

Mrs. Vodrey: The member does continue to ask information which falls under the student assistance appropriation line, but we will be pleased to get that information for him and provide it to him.

* (2310)

Mr. Alcock: I notice also that when the minister was reading off the list of organizations, she mentioned the Brandon Flying Club and I think there was the Dauphin and the Winnipeg, and a series of flying schools. Are these not registered under The Private Vocational Schools Act?

Mrs. Vodrey: A practice common across Canada, flying schools by precedent are registered by the

Department of Transport, and because of that particular registration and approval process, then we do not register them under private vocational schools.

Mr. Alcock: I note that when the minister was talking about what compliance with The Private Vocational Schools Act meant, there was mention of the establishment of a bond, some provision for fee repayment, presumably in the event that the school did not continue and the like. Are these same consumer protections available to students attending the flying schools?

Mrs. Vodrey: As these flying clubs are not required to be registered under The Private Vocational Schools Act, then they are not, as required under that act, required to post a security.

We are not sure at this moment exactly what surety is required by Transport Canada. However, I do understand the issue the member is raising, and we are presently looking into this issue; staff is meeting with the Department of Transport to look at this matter. We are looking at the advantages and the disadvantages required across Canada, and I can say to him that it is a matter under consideration.

Mr. Alcock: Are the flying schools the only schools that fall outside of the reach, if you like, of The Private Vocational Schools Act?

Mrs. Vodrey: The answer is yes, because of the strict federal regulations governing those flying clubs.

Mr. Alcock: Can the minister tell me what ICS Canadian Ltd. does?

Mrs. Vodrey: Madam Chairperson, yes, it stands for International Correspondence School.

Mr. Alcock: Madam Chairperson, the same question relative to Working Women Inc.

Mrs. Vodrey: The title is Women Working Inc. It is a program, I am informed, operated by women to train women in the nontraditional occupations, specifically trades, and by way of example, carpentry.

Mr. Alcock: Madam Chairperson, and Foundations Learning Centre.

Mrs. Vodrey: We are going to check on the details of exactly the function that that vocational school performs, and we will bring them back to the member.

Mr. Alcock: Perhaps I could draw the minister's attention now to the Industrial and Occupational Employment Projects Manitoba 1990 to the year

2000, which was tabled by the minister on the 12th of May. I note that this is drawn from the labour force survey. I note that in the opening statements on it, when we are looking at the outlook to 2000 that the minister's report is projecting a rate of growth significantly less than that which took place during the '80s, that is in the period from 1990 to the year 2000 growth at less, about eight-tenths of 1 percent a year. Can the minister explain why they are projecting such a low rate of growth?

Mrs. Vodrey: Madam Chairperson, I just wondered if the member could clarify for us if he is talking about labour force growth, or what is the growth that he is referring to specifically?

Mr. Alcock: Yes, I would be pleased to clarify that. It is in the paper that is titled Industrial and Occupational Employment Projects Manitoba 1990 to the year 2000, the first page of which is a very brief description of the Canada labour force survey and then how it is added to and the occupational projection system that is used to, I suspect—and I am not familiar with that particular model but I am familiar with a related one.

I assume it takes some specific Manitoba data and embellishes that provided by Statistics Canada and gives a fuller picture of what is happening in Manitoba. Then, when we look at the first page, which is now the third page of the document, it says employment in Manitoba is expected to grow from 505,000 in 1990 to 547,000 in the year 2000, an increase of 8.3 percent. This growth is less than the growth of the 1980s.

Presumably in the '80s, they mean the decade from 1980 to 1989 and now they are talking about 1990 to the year 2000.

The minister's report is projecting a slower rate of growth in employment in this decade, which seems to be at odds with the projections of the Finance minister (Mr. Manness). I was just wondering if she could clarify the statements that are made in this item.

* (2320)

Mrs. Vodrey: I am informed that this is an extrapolation that is taken from a static model. Within that static model it references a current industrial structure, it also references current demographics. It predicts a slower labour force growth in the '90s. The model then projects slower employment. But because this is a static model, it does then point to the efforts that Manitobans must make to encourage our growth beyond what we saw

in the '80s. We do not want to remain the same; therefore it is consistent with the Minister of Finance's goals in terms of our restructuring and not to remain static and to then encourage growth within Manitoba's economy and therefore encourage employment.

Mr. Alcock: I am just wondering if the minister could clarify what she means by static? Is it that if nothing were to occur in Manitoba that the rate of growth would then be the 8.3 percent projected, so that it is some sort of linear projection, or is this the department and the model's best guesstimate given the conditions at the time the forecast was created?

Mrs. Vodrey: Madam Chairperson, this forecast is based on the current economic structure and also anticipated changes in demographics. If the conditions continue to exist exactly as they were at the time of the forecast, then this is the projection. The Minister of Finance then wants to alter the conditions, and he wants to provide for economic structural changes in order to then increase the employment of Manitobans.

Mr. Alcock: Madam Chairperson, I note that the date on the cover of this document is Fall 1991. Now, would that have been the time when this data was fed into this model?

Mrs. Vodrey: Madam Chairperson, I am informed that those figures probably took in the range of six months to one year to be gathered and that they are based upon the structure of the economy, not the state of the economy, that they are based upon the job distribution by industrial sector and not on revenue projections, and they are not an economic forecast.

Mr. Alcock: It is a rather curious statement that employment statistics are not an economic forecast. I agree that this is not a complete economic forecast; however, they seem to be rather closely tied and employment is a major indicator of economic health.

Now, I am interested in the fact that this projection which would have been conducted, if I understood the minister right, around the end of the third year that this government has been in office indicates a rate of growth in employment, a projected rate of growth of less than—well, it is 8.3 tenths of 1 percent on an annual basis if it is averaged. In the fundamental goods-producing industries, and that includes manufacturing, a rate of growth of only 7.3 percent over the 10 years, a yearly average of just over seven-tenths of 1 percent.

Is any of this information shared with the Department of Finance?

* (2330)

Mrs. Vodrey: I believe that this information is provided to my colleagues, particularly those in specific departments, and I will remind the member again that it is a projection based on the structure of employment at the time. It does not take into account the additional efforts by government which are currently underway, the restructuring that the Minister of Finance (Mr. Manness) is currently doing. Of course, that minister also makes projections based on the economy. I would remind the member that we do have additional efforts as a government currently in place, the Economic Development Board of Cabinet and within education, we are working on the labour force development strategy. These are some additional efforts underway.

Mr. Alcock: It strikes me that in one sense any projection of any sort is static in the way that the minister means it. We try to build dynamic models, but they are only known for their failures. It also strikes me that after four years of work at restructuring the economy on the part of this government that they have succeeded in reducing employment in the province, not increasing it. So from that perspective, this projection could be a very optimistic one at the 8.3 percent and not necessarily a pessimistic one.

I would though like to try to understand the situation with manufacturing in particular here. I note here on—now we move to page 5, when they talk about the fastest growing industries from 1990 to the year 2000, that aircraft and parts is the lowest of the list of industries that are listed here. It has the lowest rate of growth, and yet I believe it is one of the priority areas for this government. Can the minister just help me understand the apparent inconsistency?

Mrs. Vodrey: Well, I will say again to the member that this is a projection if nothing changed. According to what the member is reading now, if nothing changed then the aircraft, parts and maintenance would have been predicted to have a lower rate of growth. We have recognized in Manitoba that there is a very strong potential for growth. We recognize that through training programs and through economic development there certainly is a potential here and through that development of the potential, then we can certainly

compete better across Canada and also internationally.

Mr. Alcock: Then, if I understand the minister correctly, she is saying that this projection does not reflect the three years of work by the government that would have taken place by the time this projection was made?

Mrs. Vodrey: Madam Chairperson, the document does not necessarily reflect all the groundwork that was done in a number of areas in terms of the potential economic development which we are looking forward to. The statistics were based on the current environment at the time, and as I have said to the member, they do not necessarily reflect other initiatives that are underway.

It is a document, again, that was a potential forecast if the conditions did not change. I think that it is important to say, if conditions did not change, and that what the Minister of Finance (Mr. Manness) has been discussing is a structural change for economic development within this province.

There are a number of activities which are currently ongoing which are part of the nonstatic part of a document like this.

Mr. Alcock: Well, that is interesting. What are the nonstatic parts of a document like this?

Mrs. Vodrey: Madam Chairperson, well, the nonstatic parts of this particular document are, in fact, the demographic changes then, the movement in and out of Manitoba, the numbers of youth to be employed, the number of people retiring. Those would be the nonstatic parts, the demographics that are somewhat more difficult to predict.

Mr. Alcock: Madam Chairperson, yes, and population growth is certainly referenced in the introduction to this document, and is credited with having a large impact on the slower employment growth.

So if I understand the minister correctly then, what she is saying is that after three years of this government's policies, if you take a snapshot and you relate that snapshot to population projections which are considerably lower than the national projections, this is the outcome, which is a rate of growth considerably less than that of the previous decade.

For the minister's benefit, rather than just going once more around the particular bush because anticipating her reminding me that I am not taking into account the projections or wishes of the Minister

of Finance (Mr. Manness) as opposed to the reality of the performance of the government for those three years and the fourth—perhaps I can just forestall that by asking the minister, is it not possible then in such a projection as we have seen in the first four years that this government has been in power that their restructuring has meant, in fact, increased unemployment and the increased impoverishment of people and the forcing of more people out of the labour force? Therefore, this projection of 8.3 percent could be very optimistic, and we could see considerable movement to reduce that projection?

* (2340)

Mrs. Vodrey: I would like to stress that the issues of employment and training are important, I believe, to all of us, and they are certainly very important to the members of this government and to the Department of Education. So I believe that the member's comments have had a single focus.

He has had a history of taking a single point, and he has tried to use that single point to develop a whole scenario. This has certainly been the practice of that member, a very partisan kind of argument built, not necessarily in the interests of Manitobans by individuals who are sent to this House to really look at the issues of employment and training and the issues of concern, of poverty, which the honourable member has mentioned.

So I would like to say to the honourable member that this government has in fact done a great deal to show its commitment to the employment and to the training of Manitobans. We are concerned, as we have discussed. In the last sheet that the member has referenced I have explained to him that that particular sheet is a static graph.

Within this government we are certainly taking a number of steps to encourage and to increase our economic development and to also encourage and to increase employment within this province. The Department of Education itself is working very hard on the training issues so that there will be a trained work force, trained in the areas in which we believe that the economic development will be surfacing within this province.

Again I take him back to the discussions of today when we looked at the movement towards college governance, the training programs that we have in place within this province and how we are wanting to look at high market ability training, high employment training. We are certainly looking through these initiatives to assist the people of

Manitoba with a long-term strategy for their well-being and for the well-being of all Manitobans.

I have read into the record a number of the additional courses which have been offered at the community colleges and certainly they can be referenced. I would like to add to that, programs in adult literacy which we have to assist Manitobans who wish to then develop their literacy skills in a program that is learner-centred so that they can begin to develop literacy skills either for the workplace or for their own intrinsic satisfaction.

We have been working very hard to develop this nucleus of adult literacy practitioners and the honourable member for Wolseley (Ms. Friesen) referenced the importance of the training of adults being different and recognized as being different from the teaching and the training of children. We have recognized that particularly in the literacy area.

We also have, as I know we will be discussing further, a number of special skills training areas. We have discussed them many times in this House. To assist Manitobans, we have looked at, in particular, special skills training in the area of new careers where we have had training for daycare providers, transport drivers, guides, retail managers and we have also, as has been discussed within this House, Workforce 2000.

Workforce 2000 within the past year has certainly shown itself to be extremely valuable both to the employees and to the employers of Manitoba as they wish to bring their industries and their businesses into the twentieth century so that Manitobans will not lose employment. This does have, as I have said before, with a commitment to education a two-part value, an economic value and also an intrinsic value to those people who are employed within those industries which have been able to take advantage of Workforce 2000.

Mr. Alcock: Madam Chairperson, I am afraid I must make a couple of comments in response to the minister, who indicated that I was picking up on a single indicator of a problem. I have gone through 15, the 15 indicators that are tracked by Stats Canada on a monthly basis, and we are down seriously on 11 of them. We have 50,000 fewer people in this province than we would have if we had met '88 levels. We have over a billion dollars less economic activity proportional to our size in this province. Unemployment is down in real terms. Full-time jobs are down by almost 20,000 over the life of this government.

Capital investment, we just went through that today, we are off some \$370 million. If we had just held the same proportion of private sector capital investment that we had in 1988 we would have nearly \$370 million more. Average hourly wage, average weekly wages are down. Retail sales activity is off by almost \$400 million. These are all proportional trends. By every objective test this government has been a failure. The policy structure that this minister is so proud of and the one that she speaks of with such passion has not proven successful on a single front—not one. I would remind the minister that the Minister of Finance (Mr. Manness) has yet to disprove a single statement that has been made in this House on those numbers—not one.

Now, I note that we are getting close to the hour of adjournment, and the member for Wolseley (Ms. Friesen) would like to ask a couple more questions. I think that it would be useful perhaps in the light of a new day to come back to the industrial employment, but I will yield the mike to the member for Wolseley so she can get a few questions in on international agreements.

Mrs. Vodrey: Well, just in response again to the honourable member. He has raised issues and again he can debate those issues with several members on this side of the House, and I know he has attempted to engage at least four of us in that process. My response to him is that I am very pleased to be able to talk about what the Department of Education is doing in the area of training to make sure that we have in preparation, and to assist in the area of economic development and growth, a trained work force.

I have spoken with some passion about the efforts of this government because I also believe that there are by extension of the efforts of this government, the efforts of a significant number of Manitobans who are working very hard in the field, assisting and training and teaching people who are also, in the area of education, committed to the skills. I also believe that there are employees working presently who are also committed to the retraining possibilities that are available to them through Workforce 2000. So the member is right, I do have a number of very strong ideas about the strength of our programs in terms of the training and what the Department of Education and those people who work within the department and who work within the colleges and

also who work within private industry and the people who are receiving that training have.

Ms. Friesen: I wanted to raise under this same section, 16-5(b), the issue of education and training relationships with other countries. I wonder if the minister could start by discussing the activities of the department in this area in negotiating new agreements and administering or co-ordinating continuing international educational agreements.

* (2350)

Mrs. Vodrey: Madam Chairperson, well, in 1991-92 the Intergovernmental Affairs and International Education Directorate was responsible for a number of activities, and the first one, the Association of Canadian Community Colleges, ACCC, through the Canadian International Development Agency, CIDA, entered into an agreement with Red River Community College to deliver a four-year linkage initiative beginning in 1991-92 under the Canada China College Linkage Program, CCCLP.

CIDA's financial contribution to this project is \$300,000 and calls for the provision of technical assistance by Manitoba to the Shenyang Electric Power Institute and training of SEPI staff in Manitoba in areas of management and electrical, electronic, power technology, curriculum development, and teaching methodologies and the provision of capital equipment, such as computer hardware, accessory software as well as the learning materials to SEPI. I believe I did discuss that specific initiative at an earlier date with the member when we spoke of the agreement with the Shenyang Electric Power Institute several sessions ago.

In addition, ACCC through CIDA entered into an agreement with Red River Community College under the Program Development Fund, or PDF, valued at \$54,550 to undertake the following initiatives with Dar es Salaam Technical College, or DSTC, and in that area to provide funding for a DSTC staff member to pursue graduate studies at the University of Manitoba. The funding will cover tuition fees and living allowance, textbooks and materials. Also to ship up to 25 used computers scheduled for replacement at Red River Community College to DSTC, the cost of the shipment and accessories will be covered by the project funding, and also the provision of technical assistance by Manitoba to DSTC in the areas of college

management, staff development and program evaluation.

The second annual report on the Manitoba-Minnesota Agreement is currently being prepared by Minnesota in collaboration with Manitoba for release in 1992, and I have some of the details of the agreement if the member would like to know in more detail.

In addition, I would also, as time is short, like to reference another program, Vision '91. Manitoba won the right to host the 1991 ACCC conference in Winnipeg. That took place between May 25 and 30 in 1991.

In addition to that, the directorate planned and co-ordinated Manitoba missions for four senior education delegations, two from China, then India and Zimbabwe; and hosted and participated in meetings with senior officials representing ACCC and CBIE, External Affairs and International Trade, CIDA and the Secretary of State on matters of international education, the UNESCO and immigrant credentials, foreign students, international marketing, Canada/Manitoba immigration agreement and in collaboration with ACCC hosted a workshop on international education at Assiniboine Community College in Brandon in 1991. That was attended by Manitoba and Saskatchewan college and institute staff.

In the area of immigrant credentials, the director of IAIE was a member of the working group on the recognition of immigrant credentials and experience. That committee produced a report listing several recommendations and policy strategies on developing mechanisms for accreditation of foreign credentials in Manitoba.

In terms of future initiatives, we are looking at exploring the possibility of a major, bilateral initiative between Manitoba and Tanzania with funding from the Canadian International Development Agency or CIDA and exploring the possibility of establishing a linkage project between KCC and a college in Tanzania or China and also the development of a Manitoba policy on international education.

Ms. Friesen: Madam Chairperson, I thank the minister for that introduction. I am interested, first of all, in receiving a copy of that report on immigration credentials if that is possible. Is that a publicly available report?

Mrs. Vodrey: Yes, that is public information, and it would be available through my colleague the

honourable Minister of Culture, Heritage and Citizenship (Mrs. Mitchelson).

Ms. Friesen: Could the minister explain that relationship then? I am just not sure. This is done under this department, but the report was submitted to the Minister of Culture, Heritage and Citizenship? Why was that?

Mrs. Vodrey: We are discussing the department and their role in international education and immigrant credentials fall within that. The Department of Culture, Heritage and Citizenship now has that responsibility. My point was to let the member know that we are connected to this by representation on that committee, but the report was tabled to the Minister of Culture, Heritage and Citizenship.

Madam Chairperson, I also see time is running short. I do have an item which I did say that I would table today. It is the administrative and policy manuals, Department of Education and Training. This was requested by the honourable member for Osborne (Mr. Alcock), and I believe this is the listing that he had requested.

Ms. Friesen: A number of international agreements that the minister indicated which are under specific community colleges, I am wondering what is going to happen to these programs, or at least the direction and development of these programs, when the colleges have moved to governance.

Does the minister anticipate that the negotiation, administration and responsibility for these international programs will rest with the individual college boards or will they still be the responsibility of this department?

Mrs. Vodrey: The administration of the specific programs would rest with the board of the colleges. However, the department role would be to develop a strategy and to co-ordinate the activities among the institutions. By way of example, the Manitoba-Minnesota agreement; the universities are autonomous, the government signed the agreement but the universities do carry out the day-to-day work of that particular agreement.

* (0000)

Ms. Friesen: Similarly, this is one of the questions I was going to ask. There are obviously—each of the universities has a number of international agreements as well. I am wondering again from the perspective of a section of the department which

looks at overall policy and planning, what is the connection, for example, between the programs in China that are run by the community colleges and those which are run by the universities?

Mrs. Vodrey: I am informed that there really is not a connection, that the colleges have tended to focus on the technical and the vocational side. The universities have focussed more on the research and the academic.

Ms. Friesen: From the perspective of developing Manitoba's economic potential and the long-range relationships of this province overseas, does the minister see any benefit in this department co-ordinating the overseas programs in Education?

Mrs. Vodrey: Well, this is a topic which I would like to see discussed under the area of the university review. So at this time, I think, it would be important that the member recognize that I do see some area for exploring here, but I would like to leave it to the university review, under their mandate and scope, to examine it specifically.

Ms. Friesen: Then do I understand that the university review is going to look at some elements of co-ordination with community college policy?

Mrs. Vodrey: I do not want to at this point talk specifically about the mandate of the university review and its scope, but I would say that it does stand to reason that would be an important area which I believe might be considered within the university review and its relationship to the community colleges.

Ms. Friesen: Madam Chairperson, I think the minister should know that would be welcomed on this side of the House. We believe that a university's review is not necessarily the best way of looking at post-secondary education. We believe it is important to look at the range of all the post-secondary areas that the province is involved in.

I have one more question, I think, before I am prepared to leave this for the evening. One further area, looking at the international programs. I can see a number of them obviously dealing with China, Dar es Salaam, with Tanzania, Zimbabwe, India, et cetera, that are of obvious benefit and usefulness to the overseas areas.

It is less clear from the minister's responses at this stage, and I just wanted to explore it a little further, what the particular benefits are to the institutions in Manitoba?

Mrs. Vodrey: Within these international agreements, first of all, it is Manitoba's contribution to overseas development. It also does bring revenue into the province. There also is benefit to the instructors involved because they, I believe, grow by association with ideas of teachers in other parts of the world. They also grow by their teaching experience within that environment.

Mr. Friesen: Could the minister be a bit more specific on the revenue that comes into the province as a result of these agreements?

Mrs. Vodrey: I am informed that it is very common for the colleges to charge for the service and the program plus 15 percent in the colleges. I understand also that the universities will charge approximately 30 percent.

Ms. Friesen: Could the minister give us an indication of what the annual revenue is from the existing agreements? I should also specifically ask: Does the revenue go to each individual college or does it come into general revenue at this stage?

Mrs. Vodrey: Presently, the revenue does flow into the general revenue, but colleges then are able to receive approval to make expenditures against that revenue. When we move to college governance, the revenue will then remain with the colleges. In terms of the detail of that revenue received, we are

certainly prepared to look for that information, prepare that information and table it for the member.

Ms. Friesen: Is it possible, at the same time as you table that information—I do not necessarily want it this evening—also to have a cost column in there too? Can we look at the cost-benefit relationship of these programs?

* (0010)

Mrs. Vodrey: Yes, we will include a column relating to the cost, and the cost benefit then would be available to be noted.

Ms. Friesen: I have a number of other questions in this area relating to the Manitoba-Minnesota agreement, which we have not dealt with, and also dealing with some of the national agreements, particularly looking at the potential for national standards and national accreditation in post-secondary education. But I am quite prepared for the committee to rise now if that is the general wish of the House.

Madam Chairperson: What is the will of the committee? Committee rise?

Committee rise. Call in the Speaker.

IN SESSION

Madam Deputy Speaker: The hour being past 10 p.m., this House is adjourned and stands adjourned until 1:30 p.m. tomorrow (Wednesday).

Legislative Assembly of Manitoba

Tuesday, May 19, 1992

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