



Third Session - Thirty-Sixth Legislature

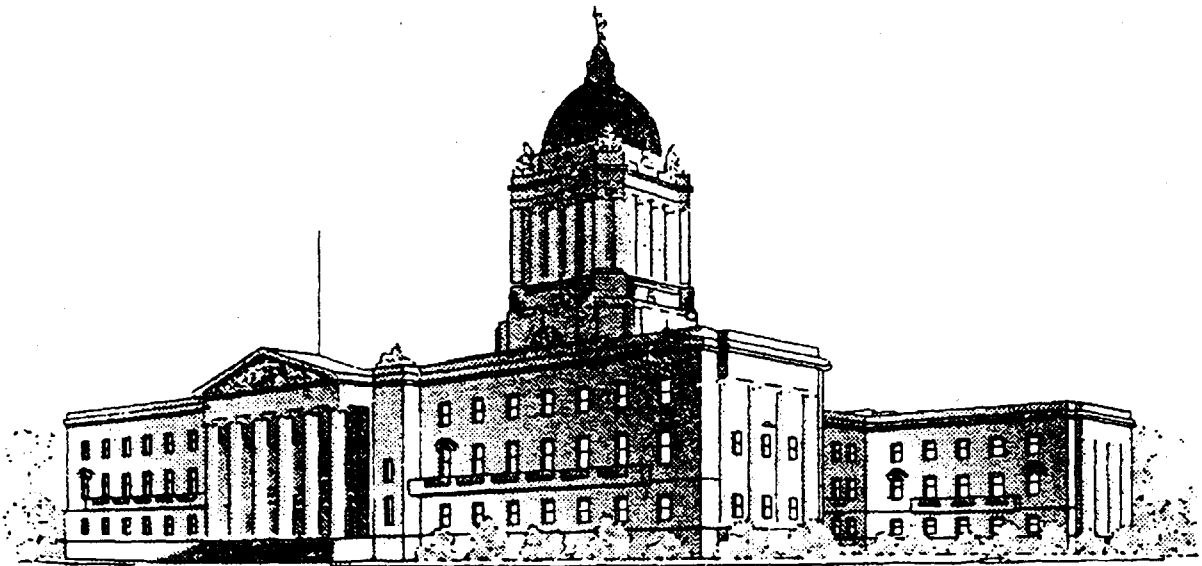
of the

**Legislative Assembly of Manitoba**

**DEBATES  
and  
PROCEEDINGS**

**Official Report  
(Hansard)**

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**MANITOBA LEGISLATIVE ASSEMBLY**  
**Thirty-Sixth Legislature**

<b>Member</b>	<b>Constituency</b>	<b>Political Affiliation</b>
ASHTON, Steve	Thompson	N.D.P.
BARRETT, Becky	Wellington	N.D.P.
CERILLI, Marianne	Radisson	N.D.P.
CHOMIAK, Dave	Kildonan	N.D.P.
CUMMINGS, Glen, Hon.	Ste. Rose	P.C.
DACQUAY, Louise, Hon.	Seine River	P.C.
DERKACH, Leonard, Hon.	Roblin-Russell	P.C.
DEWAR, Gregory	Selkirk	N.D.P.
DOER, Gary	Concordia	N.D.P.
DOWNEY, James, Hon.	Arthur-Virden	P.C.
DRIEDGER, Albert	Steinbach	P.C.
DYCK, Peter	Pembina	P.C.
ENNS, Harry, Hon.	Lakeside	P.C.
ERNST, Jim	Charleswood	P.C.
EVANS, Clif	Interlake	N.D.P.
EVANS, Leonard S.	Brandon East	N.D.P.
FILMON, Gary, Hon.	Tuxedo	P.C.
FINDLAY, Glen, Hon.	Springfield	P.C.
FRIESEN, Jean	Wolseley	N.D.P.
GAUDRY, Neil	St. Boniface	Lib.
GILLESHAMMER, Harold, Hon.	Minnedosa	P.C.
HELWER, Edward	Gimli	P.C.
HICKES, George	Point Douglas	N.D.P.
JENNISSEN, Gerard	Flin Flon	N.D.P.
KOWALSKI, Gary	The Maples	Lib.
LAMOUREUX, Kevin	Inkster	Lib.
LATHLIN, Oscar	The Pas	N.D.P.
LAURENDEAU, Marcel	St. Norbert	P.C.
MACKINTOSH, Gord	St. Johns	N.D.P.
MALOWAY, Jim	Elmwood	N.D.P.
MARTINDALE, Doug	Burrows	N.D.P.
McALPINE, Gerry	Sturgeon Creek	P.C.
McCRAE, James, Hon.	Brandon West	P.C.
McGIFFORD, Diane	Osborne	N.D.P.
McINTOSH, Linda, Hon.	Assiniboia	P.C.
MIHYCHUK, MaryAnn	St. James	N.D.P.
MITCHELSON, Bonnie, Hon.	River East	P.C.
NEWMAN, David, Hon.	Riel	P.C.
PALLISTER, Brian	Portage la Prairie	P.C.
PENNER, Jack	Emerson	P.C.
PITURA, Frank, Hon.	Morris	P.C.
PRAZNIK, Darren, Hon.	Lac du Bonnet	P.C.
RADCLIFFE, Mike, Hon.	River Heights	P.C.
REID, Daryl	Transcona	N.D.P.
REIMER, Jack, Hon.	Niakwa	P.C.
RENDER, Shirley	St. Vital	P.C.
ROBINSON, Eric	Rupertsland	N.D.P.
ROCAN, Denis	Gladstone	P.C.
SALE, Tim	Crescentwood	N.D.P.
SANTOS, Conrad	Broadway	N.D.P.
STEFANSON, Eric, Hon.	Kirkfield Park	P.C.
STRUTHERS, Stan	Dauphin	N.D.P.
SVEINSON, Ben	La Verendrye	P.C.
TOEWS, Vic, Hon.	Rossmere	P.C.
TWEED, Mervin	Turtle Mountain	P.C.
VODREY, Rosemary, Hon.	Fort Garry	P.C.
WOWCHUK, Rosann	Swan River	N.D.P.

## LEGISLATIVE ASSEMBLY OF MANITOBA

Tuesday, April 15, 1997

**The House met at 1:30 p.m.****PRAYERS****ROUTINE PROCEEDINGS****READING AND RECEIVING PETITIONS****Mobile Screening Unit for Mammograms**

**Madam Speaker:** I have reviewed the petition of the honourable member for Dauphin (Mr. Struthers). It complies with the rules and practices of the House. Is it the will of the House to have the petition read?

**An Honourable Member:** Dispense.

**Madam Speaker:** Dispense.

*WHEREAS medical authorities have stated that breast cancer in Manitoba has reached almost epidemic proportions; and*

*WHEREAS yearly mammograms are recommended for women over 50, and perhaps younger if a woman feels she is at risk; and*

*WHEREAS while improved surgical procedures and better post-operative care do improve a woman's chances if she is diagnosed, early detection plays a vital role; and*

*WHEREAS Manitoba currently has only three centres where mammograms can be performed, those being Winnipeg, Brandon and Thompson; and*

*WHEREAS a trip to and from these centres for a mammogram can cost a woman upwards of \$500 which is a prohibitive cost for some women; and*

*WHEREAS a number of other provinces have dealt with this problem by establishing mobile screening units; and*

*WHEREAS the provincial government has promised to take action on this serious issue.*

*WHEREFORE YOUR PETITIONERS HUMBLY PRAY that the Legislative Assembly of Manitoba may be pleased to request the Minister of Health (Mr. Praznik) to consider immediately establishing a mobile screening unit for mammograms to help women across the province detect breast cancer at the earliest possible opportunity.*

**Madam Speaker:** I have reviewed the petition of the honourable member for Swan River (Ms. Wowchuk) and it complies with the rules and practices of the House. Is it the will of the House to have the petition read?

**An Honourable Member:** Dispense.

**Madam Speaker:** Dispense.

*WHEREAS medical authorities have stated that breast cancer in Manitoba has reached almost epidemic proportions; and*

*WHEREAS yearly mammograms are recommended for women over 50, and perhaps younger if a woman feels she is at risk; and*

*WHEREAS while improved surgical procedures and better post-operative care do improve a woman's chances if she is diagnosed, early detection plays a vital role; and*

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*WHEREAS a trip to and from these centres for a mammogram can cost a woman upwards of \$500 which is a prohibitive cost for some women; and*

*WHEREAS a number of other provinces have dealt with this problem by establishing mobile screening units; and*

*WHEREAS the provincial government has promised to take action on this serious issue.*

*WHEREFORE YOUR PETITIONERS HUMBL Y PRAY that the Legislative Assembly of Manitoba may be pleased to request the Minister of Health (Mr. Praznik) to consider immediately establishing a mobile screening unit for mammograms to help women across the province detect breast cancer at the earliest possible opportunity.*

### PRESENTING REPORTS BY STANDING AND SPECIAL COMMITTEES

#### Committee of Supply

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

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

Motion agreed to.

### TABLING OF REPORTS

**Hon. Frank Pitura (Minister of Government Services):** Madam Speaker, I am pleased to table the 1997-98 Departmental Expenditure Estimates Supplementary Information for Legislative Review for the Department of Government Services and for Emergency Expenditures.

**Hon. Leonard Derkach (Minister of Rural Development):** Madam Speaker, I have the pleasure of tabling the Annual Report for 1996 for the Municipal Board.

**Hon. Mike Radcliffe (Minister of Consumer and Corporate Affairs):** Madam Speaker, I would like to table the Departmental Expenditure Estimates for 1997-98 for the Department of Consumer and Corporate Affairs.

**Hon. James Downey (Minister of Industry, Trade and Tourism):** Madam Speaker, last week I tabled Supplementary Supply Estimates for the Department of Industry, Trade and Tourism. My department has

informed me that there are two pages that have to be replaced, pages 34 and 36. I apologize to the House, but I think this will certainly help them in their review of the Estimates process.

### Introduction of Guests

**Madam Speaker:** Prior to Oral Questions, I would like to draw the attention of all honourable members to the public gallery where we have this afternoon thirty-five Grade 9 students from Hastings School under the direction of Mr. Barry Wittevrongel. This school is located in the constituency of the honourable Minister of Energy and Mines (Mr. Newman).

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

\* (1335)

### ORAL QUESTION PERIOD

#### Winnipeg Health Board Legislation

**Mr. Gary Doer (Leader of the Opposition):** Madam Speaker, my question is to the Acting Premier. Today the government announced the appointment of a superboard for health care in the city of Winnipeg. Last year the former Minister of Health told us on October 16 that we would require a separate piece of legislation. In fact, the interventions before that committee from other participants, including nurses, stated that there would be separate pieces of legislation. On March 24 of this year, the present Minister of Health said there is a great deal of concern and reluctance about losing the local autonomy in our hospitals.

I would like to ask the Acting Premier: How can this government make the appointments to this new super health board in the city of Winnipeg prior to this government and this Legislature passing legislation to deal with the some \$700 million in expenditures that will flow to this new superboard announced by this government today but not created by this Legislature?

**Hon. Darren Praznik (Minister of Health):** Madam Speaker, first of all, in a very similar fashion when we created the rural regional health authorities for rural and northern Manitoba, they were incorporated I believe

under The Companies Act. As we prepared the legislative framework—and as the member for Concordia may or may not know, I believe sometime last fall or earlier this year a corporation was established as the Winnipeg Hospital Authority. In fact, my previous deputy minister, Dr. John Wade, was actually the first interim CEO.

### Elected Representatives

**Mr. Gary Doer (Leader of the Opposition):** Yes, we are aware on January 6 the secret corporation was established, contrary to any legislative authority from this Legislature.

Madam Speaker, I would like to ask the government and the Acting Premier: In light of the fact that the government's own regional health board report and the MHO brief both recommend that the government not appoint representatives onto the boards by patronage appointee but rather allow for democratically elected individuals to be selected by the people for the people—[interjection] The issue of taxation is dealt with by the government's own reports. The government knows that issue. They state that the standards and revenue issue should be dealt with by the government, but the community input and community representation can take place in harmony with those responsibilities by having elected boards. Why did the government reject democratically elected board members, as recommended in their government's own reports?

**Hon. Darren Praznik (Minister of Health):** Madam Speaker, the Leader of the Opposition does it again. He exaggerates. He puts forward information in a manner which is never quite accurate. He refers to “secret corporation.” There is no such thing as “secret corporation.” It is part of a public registry. If it was secret, how did he know about it? Again, exaggeration.

As the member well knows, we have debated this issue about elected versus appointed boards. We have discussed it, about the need for a taxing authority, but I challenge the Leader of the Opposition to show me one of those existing facility boards that is democratically and universally elected today under the current system.

**Mr. Doer:** The minister did not answer the question of why they rejected the advice from their own regional

board committee that dealt with taxation and why they rejected the advice of the MHO on democratically elected boards.

### CEO Salary

**Mr. Gary Doer (Leader of the Opposition):** Madam Speaker, last year at a time when nurses were being laid off and other medical staff were being laid off across many of the regions of Manitoba, the government spent, according to information we have, some \$2.8 million on regional health care boards. I would like to ask the government: How much more will this new superboard cost in the city of Winnipeg, and I would like to ask specifically how much will the salary of the new CEO, Mr. Gordon Webster, a friend of the Premier (Mr. Filmon), be for the taxpayers of Manitoba?

\* (1340)

**Hon. Darren Praznik (Minister of Health):** Madam Speaker, here we see the Leader of the Opposition make a comment, “a friend of the Premier,” in fact, as if it is a bad thing to know the Premier of Manitoba. There are thousands of people in this province who know the Premier. I am sure if the members asked him how he felt about the Leader of the Opposition, Mr. Webster might call Mr. Doer his friend too. This is just irrelevant to the discussion.

Madam Speaker, with respect to the first part of the member's question where he asked about recommendations, let us remember that today in the city of Winnipeg, of the nine facilities, many of them have perpetuating boards, boards that nominate their own replacements. Surely to goodness that is not an appropriate system. Let us remember that the health care purchased on behalf of Manitobans is voted by this Legislative Assembly, and we are ultimately responsible for its expenditure and delivery. With respect—[interjection] I am answering the member's questions. They never want to have an answer.

Madam Speaker, with respect specifically to salary, that is in the process of completing negotiation. The new board should have an opportunity to see that, and it will become public as will all of the, I understand, remuneration for senior executives in the Winnipeg system currently.

### Winnipeg Health Board Legislation

**Mr. Dave Chomiak (Kildonan):** Madam Speaker, again the government totally misses the point of accountability. They establish a board, they set salaries, they set goals and purposes under The Corporations Act for this corporation that was set up in January, they appoint the board, and there is no legislation giving the power and the authority for the citizens of Manitoba to have any say or any input into this board. Does the minister not recognize the arrogance, does the minister not recognize the lack of accountability that is perpetuated by a government that appoints boards, sets up goals and objectives, gives out hundred-thousand-dollar salaries, is not accountable to anyone?

**Hon. Darren Praznik (Minister of Health):** Madam Speaker, where have members opposite been? Every day in this House, and members of the press will certainly attest to it, every single administrative decision on health care in the province of Manitoba comes back to this desk because we are responsible for it. I have yet to hear members opposite go and ask the CEO of St. Boniface Hospital or of Concordia or of Health Sciences Centre about those administrative matters. What we are talking about in this province is accountability. The accountability for health care is here in the Legislative Assembly. We are the ones who vote \$1.8 billion a year, and we will ensure delivery of health care in this province.

**Mr. Chomiak:** Can the minister, who says we are totally accountable for the health expenditures, explain why we have no legislation regarding this board, why we do not know what the salaries are going to be paid to these people, why the government went and set up a corporation without consulting this Legislature and without any legislative authority even describing how those board members would be appointed? How can the minister explain that, Madam Speaker?

**Mr. Praznik:** If the member had been listening over the last year and a half, he would have heard the previous minister describe the process which we were getting into, Madam Speaker. It is the same process we followed rurally when we set up this period in transition.

Let us remember today how we deliver health care service. This Legislature votes \$1.8 billion with the Ministry of Health, delivers under various agreements and arrangements with various boards. Many of those boards in Winnipeg, some of them are certainly going to become part of the system because we are the payers. Just yesterday the member for Kildonan was pointing out how as Minister of Health I should be able to demand reports and do a variety of things because I am the payer. We are ultimately the payer, we are also the provider. We will be responsible. This is the same process we followed last year with the creation of the rural health authorities and it has worked well.

**Mr. Chomiak:** My final supplementary to the minister, who said in his press release that representatives from some of the Winnipeg hospitals may be on the board upon conclusion of agreements with those facilities whether they become part of the Winnipeg Hospital Authority. Notwithstanding, Madam Speaker, we have no legislation, and we do not know on what basis this is being made.

Will the government be blackmailing these institutions as they did with rural Manitoba to say that you will only have your deficits paid by the government if you come on board this new authority that has absolutely no legislative sanction?

**Mr. Praznik:** Madam Speaker, members opposite cannot have it both ways. Every day in this Assembly they raise issues about the delivery of health care system that come back to the organization of how we administer and organize and fund our health care system. Members opposite have to make a choice. Are they going to stand by the current system which does not work, or are they going to move into the next century? This side is moving into the next century. We will deliver better-quality health care to Manitobans, and members opposite will be left behind as they always are on every important issue.

\* (1345)

### ManGlobe Public Accountability

**Mr. Jim Maloway (Elmwood):** My question is to the Deputy Premier (Mr. Downey) and concerns the

ManGlobe project. Five months ago the Deputy Premier took as notice questions asking him what results he had to show for the half million dollars in tax money he gave to ManGlobe, a company with virtually no revenues from sales, virtually no liquid assets and a president who travels more than the Premier (Mr. Filmon).

Can the Deputy Premier today table his responses to these questions along with an explanation of what due diligence he took before approving the grant?

**Hon. James Downey (Minister of Industry, Trade and Tourism):** If I had not tabled information which I had indicated previously, I will check into that and make sure that I get the information available to the member.

**Mr. Maloway:** How can this minister say that public funds are protected when today the firm, after spending more than a million dollars of public funds, has no liquid assets and debts of \$600,000 and a board attempting to shelter new money from creditors? Is the minister not interested in where the money went and what the taxpayers got in return?

**Mr. Downey:** The program that the member refers to—or the enterprise that the member referred to—is operated by a young female entrepreneur who has been supported by the federal and provincial governments in the activities which she is carrying out as well as other corporate entities within our community. The member brings information to this House which I do not at this particular time find either helpful or not helpful. I do not know the point that he is trying to make. I have been told, and it has been indicated to me, Madam Speaker, that the operation is working on an ongoing basis. What he is trying to get, I cannot quite understand.

**Mr. Maloway:** I would like to ask the same minister: If the general manager, Karen Alcock, was paid \$7,500 a month plus GST or \$100,000 a year out of public funds, how much is the president of ManGlobe being paid?

**Mr. Downey:** Because it is a business that is operating in a competitive field, I do not believe that there is—there is some information that may not be able to be

provided. Anything that is able to be provided that would not in any way damage the business or cause any problems to that business, I would be prepared to provide for the member.

**Mr. Maloway:** A new question to the same minister: Since the president of ManGlobe has already travelled to Italy, Germany, Japan and Rankin Inlet, among other places, at public expense, could the minister tell us how much the travel budget for the president will be for the upcoming year?

**Mr. Downey:** I do not know where the member gets his information or how he can verify that the individual has travelled at public expense. There was support given to the company through a loan from the government through the communications program, but I am not aware of any public monies other than that that the individual may have travelled on.

**Mr. Maloway:** A supplementary to the same minister: Could the Deputy Premier then explain why this project which was supposed to have 175 employees at this time has roughly 10?

**Mr. Downey:** Madam Speaker, without accepting any of the accusations of the member and the maligning that he is doing of this woman and her company, I will get the information as to whether or not there are commitments that have to be lived up to or have not been lived up to. I will, in fact, get that information for the House.

\* (1350)

**Mr. Maloway:** Madam Speaker, my final supplementary to the same minister is this: Since the company had just 150 actual sales since getting funding from this government, just after the 1995 provincial election, I might add, how does the minister explain why a similar firm with no public funds has some 1,000 sales per month? How does he explain that?

**Mr. Downey:** Madam Speaker, it was a federal-provincial agreement which the person got support under. As it relates to the operations and the ongoing activity, I am prepared to review the activities of the corporation or the company and report back what I am able to to this Assembly.

### **Regional Health Boards Elected Representatives**

**Mr. Kevin Lamoureux (Inkster):** Madam Speaker, the Minister of Health challenged the NDP opposition in terms of naming some regional boards that have been elected. In the province of Quebec they have elections. In the province of Saskatchewan, I understand, they have elections. We want a commitment from this government that they are, in fact, going to go towards the election of the super health regional boards. This way representation from the grassroots, the recipients of our health care, is going to be able to have direct input.

My question to the Minister of Health is: Is this government prepared to make a commitment to the election of regional health care boards throughout the province of Manitoba?

**Hon. Darren Praznik (Minister of Health):** Madam Speaker, these decisions are not made in voids. I challenged members of the New Democrats. They were not able to provide me—and I would make the same challenge to the member for Inkster. Show me one of the current boards in Winnipeg governing the nine facilities in this city that is elected at a universal election by its citizens. None. Not one today.

Madam Speaker, in rural Manitoba we are not finding an election with universal suffrage to boards. In many cases we are finding self-perpetuating boards. We found in some communities, when we were in Dauphin, a board of governors where you pay \$5 and you get to be a governor of a hospital—43 governors managing a hospital for 14,000 people.

Madam Speaker, that is what we have today. Yet, ultimately, virtually all of the funding for those facilities is voted by this Legislature, and we are held accountable and responsible for that expenditure. We have provided for the possibility of election of some boards in the future, and that will be considered if there is a taxing authority that goes with that.

**Mr. Lamoureux:** This government in the past has made a commitment to electing the regional health boards. My question to the Minister of Health is: Are we to assume today that this government is backing

down and is not prepared to have elected regional boards?

**Mr. Praznik:** Madam Speaker, not at all. I am looking forward to seeing the Liberal Party make as a campaign pledge in the next general election that they will have elected boards with a taxing authority on Manitobans to be responsible for their decisions. I would like to see if the member will make that commitment today.

**Mr. Lamoureux:** Madam Speaker, is the Minister of Health trying to say that, unless the government is prepared to give the taxation rights to these boards, they are not prepared to entertain having elected boards? They have to have both. Is that what the Minister of Health is saying, because if that is what he is saying, the Minister of Health is wrong, and he should allow for an election coming this—

**Madam Speaker:** Order, please.

**Mr. Praznik:** Madam Speaker, after answering probably a half dozen questions from the member for Inkster, yes, he is absolutely right. If you are going to have an elected board to manage—and when I say elected, by a universal election of electors within a district and not at some public meeting but a universally elected board—they have to have some taxing authority to be responsible for the decisions.

We have seen in other provinces like Saskatchewan where that has not happened, that it has not been an effective means of governing their health care system, because the people elected to make the decisions are not responsible to the taxpayers whose money they spend. Surely to goodness, the Liberals are not suggesting that elected people should not be responsible for their decisions to their electors and the taxpayers whose money they are spending.

\* (1355)

### **Kali Shiva AIDS Services Funding**

**Ms. Diane McGifford (Osborne):** Madam Speaker, I am pleased to hear that the Minister of Health is a proactive man with a vision for the year 2000. I think my questions will make clear why this makes me so happy.



Today the Kali Shiva AIDS Society was presented with the mayor's volunteer award for human services. This group hitherto has been funded by the federal ACAP program, which will end in April 1989, actually the 31st of March. They have been told by this government, by the AIDS program co-ordinator of Public Health, that if they are not funded now, they never will be. I understand that actually the AIDS program co-ordinator funds only a phone line at the Village Clinic.

I want to ask the minister how he can justify standing by and doing nothing while this publicly recognized volunteer organization with a wonderful reputation and especially when the numbers of cases of AIDS increases in Manitoba, especially the cases involving women and children—I wonder how he can stand by and do absolutely nothing.

**Hon. Darren Praznik (Minister of Health):** Madam Speaker, first of all, I think the member was referring to 1999 as opposed to '89.

I would like to clarify for the member that AIDS is not a disease of just women and children; it is a disease of all citizens, and I think it is important to make that point.

Madam Speaker, if there is truly an official in the Ministry of Health who has said to any group that they will not be funded, they should not be so presumptuous, because those are decisions that are made by Executive Council and by this Legislative Assembly. The great difficulty today, of course, is the federal government withdraws from these issues; they are leaving great voids that have to be filled. Our ability is limited, the need is great and I recognize that. I would think, as we enter this period of a federal election campaign, we all need to make a concerted effort to have our Liberal colleagues renew their commitment to funding this area before we know exactly to the extent of dollars that have to be replaced.

#### **AIDS Prevention Reduction Strategy**

**Ms. Diane McGifford (Osborne):** I thought the delivery of health services was a provincial responsibility.

Since the minister has refused to make a commitment regarding an AIDS hospice and now refuses to fund respected and necessary services like Kali Shiva, is it not time to admit that this government's so-called AIDS strategy is only an opportunistic political ploy, that people in the AIDS community have once again been taken advantage of?

**Hon. Darren Praznik (Minister of Health):** If the member for Osborne wishes to have a long career in public life, I would sincerely advise her not to put words into other members' mouths. No one has denied a commitment. The member knows we have discussed this in this House with respect to an AIDS hospice. That is a project that is worthy of consideration. It does not happen overnight.

Madam Speaker, I have listened to members of the New Democratic Party, with respect to provincial and federal responsibility, make the argument on many occasions about the federal responsibility in funding health care, reductions in transfer payments in that role, so we as a provincial Legislature in voting those dollars for health care have relied on a diminishing amount of commitment from the federal government. In these areas where federal government has made specific funding to organizations in areas of research or illness, I would like to see them continue those needed ones as opposed to withdrawing them. Now that they are facing the electors, now is the time to put the question to them in the Liberal Party about whether or not they are going to renew that commitment.

#### **Health Privacy Act Draft Legislation**

**Ms. Diane McGifford (Osborne):** Madam Speaker, on a new question. I understand this morning that the Minister of Health presented a draft of the health privacy act to a group of individuals involved in SmartHealth and also various other representatives. I wonder if the minister could tell us how this draft was received and what, if any, were the criticisms of this draft legislation.

**Hon. Darren Praznik (Minister of Health):** Madam Speaker, the member is somewhat mistaken in her comments about to whom this draft was discussed. These were the stakeholders' groups that included, in

fact, Peter Olfert representing the association of health care unions—was part of that group this morning. It was the commitment that we made in developing privacy legislation, the commitment that the previous minister made in having a privacy committee, having other stakeholders' groups. They provided a host of advice on how this should be structured. We had our policy people work with it, our drafting people. We wanted to share the legal drafting of what they had advised us, because before I work through and bring a bill to this House, I want to ensure that it is representative of the advice that stakeholders are giving, and that is part of the process that we are using to do that.

\* (1400)

### Aboriginal Halfway House Youth Placements

**Mr. Gord Mackintosh (St. Johns):** Madam Speaker, my question is to the Minister of Justice.

There is only one aboriginal halfway house for young offenders in Winnipeg, and the operators, the Roulettes, Joe and Monique, on Magnus, wrote to the minister in February expressing frustration that repeated requests for attention to issues raised by them have gone unanswered by the department in asking for the minister's help.

My question to the minister is: Could the minister possibly explain my understanding from the Roulettes, who are now very upset, why the response has been to stop placing youth with the Roulettes until matters are dealt with, with no time lines and no protocol? Is this a form of retaliation?

**Hon. Vic Toews (Minister of Justice and Attorney General):** Madam Speaker, I do not mind getting back to the member with the answer to that kind of question but to impute that type of motive, I think, is totally inappropriate. Why would I possibly want to retaliate? I think that is uncalled for, and the member should withdraw that type of remark.

**Mr. Mackintosh:** Would the minister not admit that it is the government's policy that, when a complaint about shortcomings in the department is raised at the political level by people who contract with the department, the

reaction is not to deal with the issues but to silence the concerned or shut them down, as the Roulettes now believe?

**Mr. Toews:** Madam Speaker, that is not correct; that is not true.

**Mr. Mackintosh:** Would the minister also explain why this custody home is being starved for placements and has been operating at less than full capacity and, in fact, will be vacant in three weeks, threatening the viability of this valuable resource, when there is so much need for a greater range of options, particularly for aboriginal youth in Corrections?

**Mr. Toews:** Madam Speaker, that is an appropriate question. I will get back to the member with the details. I will take that as notice.

### Tourism Statistics

**Mr. Tim Sale (Crescentwood):** Madam Speaker, will the minister responsible for tourism explain to the House how come in the last calendar year for which statistics have just become available Manitoba's tourism growth was a paltry 0.9 percent, while other provinces such as Saskatchewan, our neighbour province, 6.6 percent; Alberta, 10 percent; P.E.I., 21 percent; Canada as a whole, almost three times Manitoba's growth.

What is this minister doing to have such a sorry tourism record?

**Hon. James Downey (Minister of Industry, Trade and Tourism):** Madam Speaker, as negative as the member wants to be, I am pleased that there is an increase year over year for Manitoba tourism. [interjection] As my colleague has indicated, it could be that a lot of people are coming and staying, becoming permanent residents. In fact, the out-migration last year, over 10 years ago, we are virtually on balance.

Madam Speaker, we have some tremendous opportunities coming to the province of Manitoba with the World Junior Hockey coming here in 1999 and the Pan American Games in 1999.

I am very optimistic about the tourism industry in Manitoba and proud to be part of it.

**Mr. Sale:** Madam Speaker, will the minister, who seems to be the minister of tomorrow and next year and not the minister of the real world in the last 10 years, then explain why, under his government stewardship, Manitoba has seen a drop of 14 percent in its tourism since 1987 while Canada has seen a growth of 15 percent, virtually a 30 percent difference between the nation and the province?

**Mr. Downey:** Madam Speaker, I can assure the member that one of our objectives as a province and as a government is to make sure that we do in fact increase tourism. A lot of our efforts are put into that. I can assure him, as I have referred to the major events that are coming up in 1999 with the World Junior Hockey and the Pan American Games—

**An Honourable Member:** Canada Games this summer.

**Mr. Downey:** —and Canada Games in Brandon this summer, that we are embarked upon tremendous opportunities in the tourism industry and will continue to work very hard to accomplish new goals in that field.

### Advertising Contract

**Mr. Tim Sale (Crescentwood):** Madam Speaker, will the minister, under whose stewardship we were seventh this year and ninth over the last nine years in Canada, tell the House whether or not the contract for promoting tourism in Manitoba has been retendered in the last year? If it has, who received the contract? If it has not been tendered, why not?

**Hon. James Downey (Minister of Industry, Trade and Tourism):** Madam Speaker, I would ask the member to clarify what he is talking about in the tourism contract that he is referring to so that I could get him the information.

**Mr. Sale:** The major contract awarded to a firm to oversee the overall promotion strategy of Manitoba, Madam Speaker.

**Mr. Downey:** Madam Speaker, the contract has been let, and I can get any additional information for the member when I get further details.

### Special Needs Education Review Public Hearings

**Ms. Jean Friesen (Wolseley):** Madam Speaker, the Minister of Education has not had a happy time with public inquiries if we think of the Render-Dyck inquiry or the Manitoba school boundaries review when the public turned out by the hundreds to oppose government policy. So it is understandable that she is reluctant to hold public meetings on the special needs review. I want to remind the government and the minister that the government was elected on a promise of having a public and independent review.

I would like to ask the minister why in a recent radio interview she refused to make a commitment to public hearings for the special needs review.

**Hon. Linda McIntosh (Minister of Education and Training):** Madam Speaker, I do not recall having been asked to have public hearings on the radio show that she is referencing. I also indicate that the public hearings that we had on the two topics she referenced were not public hearings to reflect government policy. They were public hearings to receive input.

Similarly, on the special needs review, we have asked the steering committee to do, choose proposals for the best way to gather information, based on proposals submitted with plans outlining how that would occur, and they are doing that. In addition, depending on the topic—and this one I think is important to note—there are many people who would have things they would share with that committee who would be really, really reluctant to provide those details in a public hearing.

**Ms. Friesen:** Madam Speaker, could the minister explain to the House and to the parents, teachers and trustees, who have been promised a public review since 1994 of special needs education, would she tell us what forums—and, as the minister has said, there are a number of forums of public participation—will she tell us now what forums she is committed to and what forums she is going to promise to those parents, trustees and teachers?

**Mrs. McIntosh:** Madam Speaker, I would think the member for Wolseley should be happy that we are having this special needs review. It is a particular

interest of mine personally, of this government's. It is a very high need, something that they never did when they were in government. It is something that, when I was president of MAST, I used to ask their government to do, and they never got around to even thinking about doing it.

We are now embarking upon it. We are embarking upon it by having asked a steering committee of people selected by the Manitoba Teachers' Society, special interests groups that had clear concerns about the issue. We asked them to examine calls for proposal and decide how they could best and most effectively achieve input, and I will not interfere with that process. My goal is to have the best input come, and that may not come in a public setting where people are forced to talk about their children in front of cameras.

\* (1410)

### Timetable

**Ms. Jean Friesen (Wolseley):** Madam Speaker, would the minister be prepared to make a minimal commitment? The minister talks about my happiness, and frankly I would be a lot happier if the government had begun this review in 1993 when they promised it. This is the longest delay of any review of this government.

**Some Honourable Members:** Oh, oh.

**Madam Speaker:** Order, please. Would the honourable member for Wolseley please pose her final supplementary question.

**Ms. Friesen:** Madam Speaker, I would like the minister to make a minimum commitment to the House today for the timetable that she has proposed for the special needs review.

**Hon. Linda McIntosh (Minister of Education and Training):** Madam Speaker, I hate to belabour the issue, but this side has done more to advance understandings and meeting needs in special needs education than they could even have begun to dream of when they were in government, and that is clear. You only need to look at the funding has increased, the funding has increased for special needs—

**Madam Speaker:** Order, please. The honourable member for Wolseley, on a point of order.

### Point of Order

**Ms. Friesen:** Thank you, Madam Speaker. I would like you to direct the minister to answer the question which was short and specific and asked for a timetable.

**Mrs. McIntosh:** Madam Speaker, on the same point of order, members opposite could perhaps be consistent in either asking me to provide ample detail in response to both the preamble and the question, which is what I am doing now, or give short, succinct answers, which I attempted to do yesterday. Which do they wish, detailed response to the preamble or the yeses and noes they say they give me when I give the answer?

**Madam Speaker:** On the point of order raised by the honourable member for Wolseley, I would ask that the honourable Minister of Education please respond to the question asked.

\* \* \*

**Mrs. McIntosh:** Yes, Madam Speaker, I have enunciated that time line on many occasions in the past, and I have not changed that time line. I have not altered any of the plans that were announced, so the answer has been given on numerous occasions. The answer is the same. [interjection] Well, go back and read Hansard. It has been given many times in the past.

### Flooding—South Transcona Sandbag Delivery

**Ms. Marianne Cerilli (Radisson):** Madam Speaker, south Transcona is a unique part of the city of Winnipeg. It every spring receives flood waters from the rural municipality of Springfield and through ditches must flow that water to the Winnipeg sewer system. They receive as much flood water annually as any house this year will receive which is on riverbank property. Yet the City of Winnipeg's policy is to not deliver sandbags to the homes in south Transcona, only to riverbank homes.

I want to ask the Minister of Urban Affairs or the Minister of Natural Resources (Mr. Cummings) if they

were aware of this situation, and will they undertake to have discussions with the city to support them providing sandbags to those homes in south Transcona, many where there are seniors who cannot truck hundreds of sandbags to their homes.

**Hon. Jack Reimer (Minister of Urban Affairs):** Madam Speaker, the member is alluding to a situation I guess that everybody is very, very concerned about, and that is the tremendous flood water that possibly we may experience in various sectors here in Manitoba and possibly even in Winnipeg. I am not aware that there is a restriction in regard to delivering of sandbags into the south Transcona area. I can take the question as notice and try to find out exactly the reasoning behind that and try to get back to the member as soon as possible.

**Ms. Cerilli:** Will the minister also agree to have discussions with the city as well as his cabinet colleagues, Emergency Measures operation, Department of Natural Resources to ensure that south Transcona residents that require sandbags delivered to their home will have that service provided as will other residents who have a similar kind of emergency situation along the riverbanks?

**Mr. Reimer:** I can give the assurance to the member that all departments, whether it is Natural Resources or with Government Services and Emergency Measures Organization, have been very, very well briefed, well informed as to what the conditions are. It is an ongoing approach to keep an update to all sectors regarding the flooding, including the City of Winnipeg.

I must commend the City of Winnipeg and all volunteers that are involved with the sandbagging efforts that are going on in all parts of the city, whether it is in south Transcona or in the St. Norbert area. These are some of the things that I believe that the more information that is available and that is presented by the various levels of government to the people affected so that there is an adequate time to respond, is something that we as a government will endeavour to be on top of at all times, Madam Speaker.

**Madam Speaker:** The time for Oral Questions has expired.

## NONPOLITICAL STATEMENTS

### Women's Health Day

**Mr. Brian Pallister (Portage la Prairie):** A nonpolitical statement.

**Madam Speaker:** Does the honourable member for Portage la Prairie have leave to make a nonpolitical statement? [agreed]

**Mr. Pallister:** I am pleased to have the opportunity to tell the House about the Women's Health Day that was held on Saturday, April 12 in Portage la Prairie. It was the fourth annual Women's Health Day, and it was organized to educate women on a variety of health issues, including how to access information, education and support services to help them achieve a balance in their lives. Speakers and displays provided a wealth of information for women on a variety of topics, including physical, mental and financial help, family violence and educational opportunities. The goal of these health days is described by the organizers as empowering women to take charge of their personal health needs.

Women need an opportunity to reassess their goals and think about their future as well as to gain information from the speakers, displays and from others who have shared their experiences. This year's Health Day was attended very well, and it was thoroughly enjoyed by 139 people from 16 to 80 years of age.

The keynote speaker, Gordon Colledge from Lethbridge, Alberta, who is actually the first male speaker they have had in four years at the Women's Health Day, addressed the issue of changes and choices predominant in the lives of today's women. He encouraged them to accept and enjoy the changes in technology which are changing the way we live and to remember that when one door closes another opens, and if we stare at the closed door we will not be able to see the open one.

Mr. Colledge ended by challenging the women to rethink the old adage: if it ain't broke don't fix it, and to rather think, if it ain't broke, break it because it needs to be reassessed as everything that was solid and known is now changing.

Another interesting speaker was Victoria Jason, who is the author of *Kabloona in the Yellow Kayak*. She gave a slide presentation on kayaking in the Northwest Territories, told how she undertook the adventure as part of healing her heart condition. She urged her listeners to set a goal and assured them that they could overcome any odds if they were determined to reach their goal and believed in themselves.

Other topics dealt with during the sessions included dealing with menopause, parenting strategies for dealing with children having attention deficit disorder and others.

I would like to extend my personal congratulations to the women of Portage la Prairie and surrounding district for organizing such an important occasion. In particular, I would like to pay tribute to the chairman this year, and previous years I understand, Marian Switzer, who put a tremendous amount of work into this event, which all women who attended praised and benefited from. Thank you, Madam Speaker.

\* (1420)

### **Kali Shiva AIDS Services**

**Ms. Diane McGifford (Osborne):** Madam Speaker, I ask leave to make a nonpolitical statement.

**Madam Speaker:** Does the honourable member for Osborne have leave to make a nonpolitical statement? [agreed]

**Ms. McGifford:** Today, Kali Shiva AIDS Services based in Osborne Village was presented with the mayor's Volunteer Award for Human Services. Since 1987, Kali Shiva, a grassroots, community-based AIDS service organization has been providing care and support to persons living with HIV-AIDS and to their families. The original mandate was to provide care teams and the services necessary to allow individuals to die at home but with advances in care and treatment, AIDS is increasingly a chronic illness so that now Kali Shiva makes it possible for individuals to live in their homes and to maintain independence and dignity. I want to point out that at a time when living with AIDS often means ostracism and humiliation, Kali Shiva and

its volunteers offer confidentiality and personal choices both to those infected and those affected.

Today, I would like to particularly recognize Bev Suek and Joe Taylor, residents of the Osborne constituency, who in 1987 founded Kali Shiva as a way of caring for their son, Brian Taylor, and who continue to develop the organization as a way of honouring Brian's life. Many individuals have worked creatively and dedicatively with Kali Shiva AIDS Services. All of these individuals, board members, service providers, trainers, lawyers and accountants, health care providers and sister agencies deserve our respect. Today, I want particularly to recognize Cindy Maines, Kali Shiva's inspiring, energetic and dedicated executive director. Everyone in the AIDS service community honours Cindy for her work.

In closing, I am sure that all members of this House join me in congratulating Kali Shiva AIDS Services on its award for human services. We trust, too, that Kali Shiva's doors will remain open after March 31, 1998.

## **ORDERS OF THE DAY**

### **House Business**

**Hon. James McCrae (Government House Leader):** Madam Speaker, before moving to Orders of the Day and on a matter of House business, I would like to clarify for honourable members a matter which should be clarified.

On Thursday morning, the Public Accounts committee will be meeting and as part of their deliberations, there will be, among other things, the Provincial Auditor's Report on Public Accounts and Operations of the Office of the Provincial Auditor for the year ended March 31, 1996, and Public Accounts, Volume 4, for the year ended March 31, 1996. I say this for clarification today to help avoid any confusion or misunderstanding when the Public Accounts committee actually sits Thursday morning.

Madam Speaker, I move, seconded by the Minister of Finance (Mr. Stefanson), that Madam Speaker do now leave the Chair and the House resolve itself into a committee to consider of the Supply to be granted to Her Majesty.

**Motion agreed to**, and the House resolved itself into a committee to consider of the Supply to be granted to Her Majesty with the honourable member for La Verendrye (Mr. Sveinson) in the Chair for the Department of Housing and the Department of Northern Affairs; and the honourable member for St. Norbert (Mr. Laurendeau) in the Chair for the Department of Agriculture.

\* (1430)

### COMMITTEE OF SUPPLY (Concurrent Sections)

#### HOUSING

**Mr. Chairperson (Ben Sveinson):** Order, please. Will the Committee of Supply please come to order.

This afternoon, this section of the Committee of Supply meeting in Room 255 will resume consideration of the Estimates of the Department of Housing. When the committee last sat, it had been considering item 1.(b)(1) on page 83 of the Estimates book. I believe that the minister was just finishing some comments. [interjection] Well, if I might, I think the opposition critic had kind of finished a comment, not a question, and the minister was just making a comment, but at any rate, if the member for Radisson has a question, by all means.

**Ms. Marianne Cerilli (Radisson):** If the minister remembers the question, he is welcome to answer it.

**Mr. Chairperson:** Would the honourable minister like to make a comment?

**Hon. Jack Reimer (Minister of Housing):** The comment I will make, just to refresh my memory before I go off into an area that the member may not want me to reply on, I will just get a bit of a reclarification of the question that was posed just as we were finishing off last night.

**Ms. Cerilli:** I am assuming that means from me and not from your staff, I do not know, but in a nutshell, I was wanting to find out what housing studies are being done through the government in co-operation with any other government departments to deal with housing needs in our province.

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

**Mr. Reimer:** Having the portfolio as Minister responsible for Seniors along with the Minister of Housing makes it an interesting combination of trying to come to the realization of goals and objectives between the two departments, because, as pointed out by the member, the aging population and the fact that a lot of our buildings are becoming more and more occupied with seniors, opens up a fairly significant challenge for us as to what are the requirements and how far we get into providing the services.

We have been doing some studies with the Department of Health in trying to come up with some sort of accommodation scenarios regarding some of the mental health patients through utilization of our housing stock. We have come up with assisted living program—I believe Donwood Manor—in a sense to address some of the seniors problem. We work closely with Family Services in the settlement and placement of individuals in our housing component.

It is an ongoing and a challenging situation right now because of the fact that the demand for our public housing has shifted in the purer sense from public housing to more social housing, and the social housing aspect has a fair amount of overlap with the Health department, with the Department of Family Services. We find that there is more requirement for this flow of information and the access to specifics so that decisions can be made regarding housing. So it is something that we work on continuously.

In fact, what I would like to do is just read into the record something that is of notice to our Manitoba Housing and how we have been approaching our goals and objectives in working within the parameters of the challenges that face Manitoba Housing.

What it is, actually, is a letter of recognition and congratulations from the Real Estate Institute of Canada, and it was sent to our Manitoba Housing, and I would just like to read it into the record because I think that it is of note that our Manitoba Housing is being recognized for its initiatives, and just for the member's clarification, it starts off: Congratulations, Manitoba Housing Authority has been nominated for REIC's Corporate Citizen of the Year Award. This

award is presented to the corporation which demonstrates its recognition and support of the institute's goals and objectives by encouraging its employees to pursue an REIC designation by hiring REIC members and/or spouses in house REIC courses and seminars. The Manitoba Housing Authority is one of only four companies to be nominated across Canada, and the award will be announced at our awards dinner in conjunction with the national convention which will be held in Edmonton, May 7 to 13.

Then it just goes on to mention the registration and tickets and then closing. So it is an award that, as mentioned, only four other designations have received, so it is something of note regarding our Manitoba Housing Authority and how it has been trying to achieve its goals of management and the objectives of it.

So we strive quite conscientiously in trying to be aware of the needs and the goals and the directions that are required for the housing component, and I believe that it is an ongoing situation within the department, to try to upgrade itself into recognizing where the problems are.

**Ms. Cerilli:** Well, I would appreciate it if the minister would give me a photocopy of that letter, and I think that aside, what we are wanting to discuss is research, and it did not sound like that letter is recognizing research.

I explained yesterday that my concern in this area is that certain kinds of housing are being built in certain parts of the province, and it is not necessarily the kinds of housing that are going to meet the needs in that area. I had used the example of single family dwellings being built and being encouraged to be built and the need is more and more for a variety of seniors housing, different types of services connected with that seniors housing.

\* (1440)

I am not convinced that the government, either through this department or any others, has a strategy for how to assess the housing needs so that we are building the right kind of housing in the right place to meet the needs of the province. That is basically what I want the

minister to clarify for me. Tell me if I am wrong. Is this happening with this government?

**Mr. Reimer:** I can give the assurance to the member that we were working more and more collaboratively with Manitoba Health in trying to come to some sort of recognition of where the seniors housing and the seniors needs should be fulfilled.

We look at the opportunity as a challenge within our own structure to possibly meet the needs of the seniors. We are constrained to an extent because of the facilities that we have within our portfolio and the best utilization of them and the configuration of the various suites and the components within the building and the availability of common areas. A lot of the seniors complexes now, because of the confinement of the seniors and their mobility, require onsite food services and sometimes, to an extent, onsite even nursing attention of some sort.

So there is a need for that. I guess where the fulfilment of that can be is trying to mesh our existing stock and whether it can be utilized into what the needs of the Manitoba Health have come up with as their objectives in providing accommodations.

We work under those constraints. Manitoba Health, I could not speculate as to totally what their objectives are in seniors housing other than that I know that when they look at building, they look at a new complex that fits in all the criteria that is available now and the needs can be easily met in a sense because of the newness of a new structure.

We are constrained by the fact that we are looking at existing structures and trying to reconfigure them. We tried to do that. Like I say, a good example is how we are working with Donwood Manor. I believe we are working with some other ones regarding some of the possible reconfigurations. So we recognize that the growing area is with the seniors and trying to fulfill their housing needs and, if anything, it will continue to be that way.

By the turn of the century Manitoba will have the highest per capita of seniors of any province in Canada, so we have to be prepared for it as a government. As a housing department, we are trying to recognize how we



can reconfigure or we can satisfy within our parameters of making these accommodations available.

**Ms. Cerilli:** I do not think you are doing that, because today you have issued a news release where you are going to take apart another 20 units of housing. So, on the one hand, we have more and more seniors who require supportive social housing. They need more health services, more personal services and yet you have continued to get rid of what you see as surplus housing to decrease the portfolio of housing under the Manitoba Housing Authority.

Here now you are going to donate to Habitat the materials from basically taking down existing housing. I am wanting to find out, eventually, where this particular 20 units is and all that, but before we get there I just want to make the point that I understand the pilot project that is going on with trying to have mental health patients in the vacant bachelor suites. I have said before that can be a good thing as long as it is done with the appropriate services and training the staff and all that sort of necessary part of the program.

But it just does not make any sense to continue to offload or sell or destroy social housing when we have this growing seniors population that needs a real wide variety, a range of variety of different types of housing. So, you know, you say that you are trying to match the needs to what you have, but yet you are issuing statements like this. The same thing on Behnke Road where you are willing to take down there, again, a number of units of housing to build a parking lot.

I mean, what is going on? This is like the garage-sale economics that we were talking about when we discussed the budget. You know, anything that you can get rid of, you are willing to get rid of it to save a little bit of money, but in the long run we are going to have thousands of seniors that can no longer stay in their homes and need supportive community housing. I do not know if you want to explain that to me more clearly of what the strategy is.

It does not seem that this pilot project with Health is adequate, but I am also interested in your telling me about the units that are in the news release today, these 20 units that are going to be sold for scrap. You say that you are going to get \$540,000—no, that is the value

of it; \$540,000 is the value of the materials that are going to be recycled for Habitat.

I am wondering what the market value was of these properties, where the properties were, were their mortgages paid, what were the maintenance costs or improvement costs for these properties?

**Mr. Reimer:** The location that the member is referring to in the release is the property on Behnke Road where the property was sold to Home Depot for the utilization of their new hardware chain that they are building in there. The units themselves, 90 percent of the unit will be recycled. In talking to Habitat this morning, they are very excited about the fact that the materials that are going to be realized from these units can be reused. It truly is a public housing being reused for public housing through Habitat for Humanity.

There are two families that have been identified that will be able to benefit directly from this in getting their own homes, their own place of living. One was a young, single parent—I think she had five children—that will be able to realize a home out of this, and the other one was a gentleman—I believe he had three children that were with him today—that will be able to benefit out of a home from some of this material that is going to be utilized. The amount of money that was mentioned in the news release was the appraised value of the buildings themselves.

The Habitat for Humanity are starting the tear down, if you want to call it, as we speak. They were there this morning with the hammers and the nails, and it was being torn down so that they can reutilize those materials either as a reselling or reusing in their components here in Winnipeg.

In the negotiation with Home Depot, one of the things that we were concerned was to get the best utilization of those building components, so we suggested that we have as part of the agreement for sale that Habitat for Humanity be the people that tear it down.

**Ms. Cerilli:** This is truly astounding—

**An Honourable Member:** The tie. What are we talking about, the colour of the tie?

**Ms. Cerilli:** The colour—not the colour of the tie.

So you are trying to justify that this is reasonable to have. You are saying that two or three families are going to get a home out of this, but with 20 units and the life of these properties there could be hundreds, a hundred families over the life of these 20 units that could have lived at Behnke Road.

I know that Home Depot has also run into problems where they are building on Omand's Creek. This company, I do not know what kinds of deals they are making with City Hall, but this is astounding that they are now going ahead with this because it is less than a week I had phoned City Hall, and I know that there was no demolition permit issued for the demolition on Behnke Road. So unless this has all happened in the last 48 to 72 hours, considering there was a weekend in there, this is pretty interesting. I do not know why all of a sudden this is occurring. Home Depot, as I have said, is already expanding out on Omand's Creek. There are serious questions there, and I know my colleagues have been asking about that.

But this to me is the kind of bizarre thing that is going on in terms of urban planning and housing development and social housing in our city. I cannot believe that you are going to try and justify that this is a reasonable trade-off. I mean, I can imagine that you had to try and find something like Habitat for Humanity to take over the hardware from these 20 units, but it still is quite unbelievable that this kind of agreement has been made to tear down 20 units when they just had over \$10,000, I believe, of renovations expended into this development within the last couple of years for their backyards and their fencing—I guess Habitat is going to get all that new fencing for their new construction—and there was landscaping done there, and that was in an area in St. Vital that is very popular.

\* (1450)

I know there are waiting lists for public housing in that area, and if nothing else, this is an example of exactly what I am talking about where even if we have schools that are public assets and we know we have an aging population, that those kinds of facilities can be transformed into providing services, housing, recreation

centres, maybe more health care facilities for seniors. I think the member for Gladstone (Mr. Rocan) had said mind-boggling that this is occurring, where you are sacrificing 20 units so Home Depot can put up a parking lot. Joni Mitchell's song is coming to pass with Manitoba's housing. You know, they paved paradise to put up a parking lot.

I do not even want to spend any more time on this right now. I want to get into dealing with SAFER and SAFFR and all those other programs, but if you want to give any short explanation of how you can justify this manoeuvre and try to say that because a couple of families are going to get a home out of these materials, that it is a reasonable thing to do.

**Mr. Reimer:** The member must realize that this was not the primary reason for the sale of this property. The sale of the property was in conjunction with the packaging of a whole entity and that particular area of Behnke Road. The people who were in those units, everybody was accommodated into a different move to the extent that there are still vacancies in our family units of almost 12 percent—

**Ms. Cerilli:** Not in St. Vital.

**Mr. Reimer:** —in various areas of the city. It was part of a package that Home Depot brought forth in regards to—they have even indicated that they are willing to offer employment initiatives to the people who have been relocated. They have instituted a fund in the area, and it has been pointed out that the vacancy rate in that area is almost 8 percent, in the St. Vital area, so there are units. Even though we closed these 20 units, there still is a vacancy rate of almost 8 percent in St. Vital, and we paid for all the relocation of these families. There was no cost to them. This was a cost that was picked up by Home Depot. They paid for the relocation of these individuals. Like I say, they are offering jobs to these people in the area. They are offering training packages to them.

The package was a total one plus the fact that the units were going to be recycled back into public use through Habitat. These were all considerations that were brought forth. It was not just one thing that made the decision to sell the Behnke Road properties.

I should point out that when Home Depot does come on stream in that area, it will provide jobs for almost 250 people in that south St. Vital area. So the people that cannot find jobs, they would be able to stay in St. Vital and still work in St. Vital. So there are a lot of benefits to it.

**Ms. Cerilli:** Oh, you have not convinced me, I am sorry to say, because I know that those units were full. Just the other day I contacted your department, because there was a woman that was sexually assaulted in the inner-city area in public housing, wanted to move to a suburban, to St. Vital to East Kildonan, and was told, sorry, it is either Central Park or the core area or you have to stay where you are. This was a woman that was sexually assaulted in her unit, in her apartment.

So I am getting two stories here, and even if there are a few vacancies, it just does not make sense to be getting rid of this kind of social housing when there is no plan to have any more built. This is the other thing I want to raise with you before moving on to some of the other programs in the department. Now that the federal government has decided that they have no responsibility for financing new construction of social housing, what kind of leadership role is your department going to take to try to involve the community, involve the private sector? There are a number of community groups that are meeting to discuss this now. They want to figure out new ways of financing social housing, and what kind of leadership is your department going to provide in this area?

There is the Institute of Urban Studies. There are a lot of other organizations that could be brought together to look at financing; something that is very much needed, not just in the area of seniors, but today we had questions in the House about AIDS and the AIDS strategy. There are real housing needs for people with AIDS, for people with mental health problems, around all sorts of other social issues. So what is going on in that area?

**Mr. Reimer:** Well, the member covers a fair amount of topics in where social housing is headed, but I should point out to the member that we, under our public housing sector here in Manitoba, are still working with a fair amount of vacancies, and the utilization of trying to fill these vacancies really is of

importance also in trying to come to our goals. In Winnipeg alone, we have almost 1,300 vacant units. Our overall vacancy rate throughout Manitoba is almost 10 percent. It is going up. It is even higher than 1995. Seventy percent of the vacancies of all our stock is in Winnipeg. We have vacancies available. We have room to accommodate a lot of the individuals in the areas that the member is talking about for people to live in.

Until we start to get to a point where we are very, very close to zero occupancy, I do not know whether we would, with this type of vacancy rate still available, consider building. We do not have the money for one thing because the federal government has pulled out entirely from their responsibility of providing funding for public housing. For the provincial government to step in and take over a 100 percent load of funding when at the same time the federal government is trying to offload their total responsibility onto us, the Treasury Board of Manitoba would be hard pressed to pursue a new initiative of expansion of our public housing when we have got high vacancy rates, when the federal government is not going to participate in the capital structure, where the federal government is capping the maintenance structure and where the federal government is offloading their responsibility onto us.

It makes it very hard to make decisions on public housing expanding with new endeavours. So I think that it behooves us to try to consolidate what we have now and to work within the parameters that we have, fill the units that we have, make the decisions, prudent decisions as to the viability and the direction that we want to take with our public housing before we look at even expanding it.

**Ms. Cerilli:** Let us just sort of set one thing straight at least. The vacancies are not a result of there not being the need. There is a need out there. There are a number of people who could live in these units. It is more of a problem, I think, problems with management. I think there is a real image problem. I do not know if the minister would agree with that. But there are all sorts of other linking that could be done. I mean, we keep hearing we have got this real shortage of group homes through Child and Family Services. I have listed a number of other areas, second stage housing for women that are fleeing violent situations, and I am not

necessarily suggesting it has to be new construction, but there is financing that is going to be required then for some renovation, even the kind of renovations that you are dealing with in trying to change some of the bachelor units into, you know, one-bedroom or two-bedroom suites.

\* (1500)

It just seems like there is no real vision or strategy in this area either to meet the needs that are there, using the assets that you have in your department, and it seems like your only strategy is to offload or to divest yourself of these assets and sell them off as quick as you can. I am seriously concerned that what is going to happen is there are going to be even more people, all those people that are impoverished and low income in our province that are going to be struggling down the road to find a decent place to live, because right now Manitoba Housing does not seem capable enough to deal with the problems that are causing the vacancies. The vacancy, it is ridiculous to me to use the vacancies as a reason to divest yourself of your assets. It just does not make any sense, particularly when the need is so high with a growing seniors population. You talk about wanting more immigration. You know, there are all sorts of other areas where you could be developing partnerships in the community, creative ways of filling these vacancies, and I just do not see it happening.

**Mr. Reimer:** Well, I guess there will always be room for some disagreement between the member and myself, to a degree, of the best utilization and the direction the department is going. I can only point out that we are very interested in forming good-faith partnerships with anybody that is willing to come forth with a program or initiative to utilize our property in some sort of constructive manner for supplying of housing needs, whether it is through the nonprofit organizations or the volunteer groups, the service groups. We encourage this type of participation if we can get into these good-faith partnerships.

A lot of the groups come forth with some excellent suggestions to try to utilize our properties in the pursuits of their goals in supplying services to particularly seniors. We have not shut our door, in a sense, by saying we can do it better and we are the only people that can do it. I think that is wrong because we

have to look at trying to look at the assets in the community, and if there is a strong community group that has the ability to bring factions together and possibly even bring money to the table in the sense of providing some sort of incentive or direction to have things work well in that particular unit, we certainly will encourage it. We are not of the opinion that Manitoba Housing is the only player on the block in supplying housing needs. We have the ability to even offer up some of our units and complexes to various nonprofit organizations and service groups and say, if you feel that you can manage it better or if you feel that you can take it over, we will assign it to them. If these groups are willing to take on the responsibility of the payments and the maintenance and we can participate in a smaller way, I have no problem in talking to some of these groups and throwing it back to them.

Now, they have to have the willingness to do this. If it is totally government initiative to divest itself that way through partnerships, and it still serves the need of the community, then I feel that it is worthy of pursuit. It cannot be just Manitoba Housing providing all the initiative and all the direction and all the money because it is just not there anymore.

**Ms. Cerilli:** I do not know if the minister did not understand my question, but that is exactly the point that I was making, is if there is no more public money, then what are you going to do to show some leadership to bring members of the community together from the private sector, from financial institutions, from community organizations. A lot of the social housing that has been constructed has been sponsored by ethnic community organizations. They are still going to want to conduct that kind of activity, and I do not think that you can just turn your back on that whole area.

If what the federal government is saying is it is up to the private sector to a large extent, then there has to be. I think, still some leadership from government to bring all those people together and to develop some kind of strategy, to do the needs assessing and to make the services and the housing fit what is happening in Manitoba.

I want to move on and just make some comments about following up our discussion yesterday about devolution, as I did have a chance to talk to someone

today from Saskatchewan and was surprised by what they told me. They said that they were actually not totally satisfied with the co-operation from the federal government in terms of getting access to information, but they had their staff go in and spend two full days going through the books. CMHC in the Saskatchewan offices basically opened the books and said here are the schedules and here is the financing, and they have come up with this agreement.

So I do not understand what the problem is between Manitoba and the federal government, but that is what Saskatchewan is saying.

**Mr. Reimer:** A few things have been pointed out to me, and I guess one of the biggest parts of the agreement that Saskatchewan signed was a clause that stipulated that if any other province got more than what Saskatchewan would get, then they would benefit.

So they are in a position where they can sign an agreement with the federal government through the negotiations by either British Columbia or Alberta or through any of the other eight provinces. There is a benefit, Saskatchewan will benefit from that, so they are really looking at the other provinces to cut the hard deal so that they can benefit. The member mentioned that they went through their books in two days. I am amazed that they can go through their books in two days and come up with an agreement with the federal government and still feel that they got the better of the deal. We have spent three weeks at it, and we still have not been able to come to a point where we feel that we can even justify coming to any type of further negotiations with them.

So, a two-day analysis, I have to give Saskatchewan a tremendous amount of credit if they feel that they can deal with the feds and come out as winners in a two-day negotiation. All the more power to them. I have more confidence in my staff, and if it takes three weeks, I want them to spend even more time to make sure that we cut the best deal we can if we are going to cut a deal with the federal government. As to the composure of Saskatchewan's units, over half of their units are nursing homes and those are really, you know, an easier approach to take over, if you want to call it sort of a captive market in a sense of the composure of half of their portfolio. So their portfolio is a lot different than

ours, and I can only say that 7,500 units were all that were involved in Saskatchewan compared to what we are talking about here in Manitoba of 17,500. So they may be able to jump to the pump quite quick there in Saskatchewan, but we are the ones that are going to get hosed somewhere along the line if we do not do it properly.

\* (1510)

**Ms. Cerilli:** Well, first of all, the fellow told me this morning that it was 9,800 units that are going to be really physically transferred, and if what the minister is saying is that they must have had a fairly quick review of the information from CMHC—but I thought you said last night that you did not have any access to information at all, and then today you just said that you have had three weeks of looking at the information from CMHC. So if they have had a couple of days to deal with what is, you know, a small fraction of the size of your portfolio, maybe it is not that bad. But what I am more concerned about is have you or have you not had a chance to look at the books with CMHC and do some analysis of the value of their assets?

**Mr. Reimer:** What I have alluded to is even though we have been working at it for weeks, as you progress through their books, if you want to call it, more questions are raised than are answered and the fact that we are working towards trying to come to some sort of resolve, it is an ongoing process, and I feel that warrants even a closer scrutiny of what they have in front of them. It is not as if the total package presented to us is in an entirety because there are a lot of other questions that we have to ask and as we ask these questions, there is no access to the information, so we have to wait for information. The information may not be totally complete so we ask for further clarification on it. So we are not dealing with a totally complete set of information and/or records, and that is what causes the delay of decision making.

**Ms. Cerilli:** Well, then, what you are clarifying today is that you have had some look at the books, so to speak, and what is the value of those assets and the costs for maintenance and administration and, you know, maybe even the vacancies then if you are looking at all that information. Maybe then it is not the

vacancies because I can see the staff are shaking their heads.

It seems like there is a bit of a different story coming from the government of Saskatchewan. It is interesting if the minister has said that they have a clause in their agreement. I have gone through it, the narrative part anyway, and if there is a clause there that says that if any province has financially a better deal, that the same kind of deal will then have to flow to Saskatchewan—what he is saying is that his staff are the ones who are going to have to do the real tougher negotiations to try and have those advantages comes to the provinces.

I am actually going to move on to a different area, if the minister wants to make any additional comments on that.

**The Acting Chairperson (Mr. Penner):** Item 1.(b) Executive Support.

**Ms. Cerilli:** No, I am not going to pass anything. I just want to ask some different questions.

I want to ask some questions about, first of all, the Shelter Allowance for Family Renters. Now, I am sure by now the minister has had a chance to sort of reconsider the issues I was raising in the House the other day, given that the Children and Youth Secretariat report for the Early Childhood working group made a recommendation that the SAFER and the SAFFR programs would both have a strategy developed to promote them so that there can be better uptake, because over the last number of years there has been over \$300,000 in those programs that has gone unspent.

It is not, again, because there is not the need in families and amongst seniors in our province to utilize those programs. There may be some difficulties in the way the programs are operating, but I am wondering now if the minister is going to take that recommendation seriously, and rather than have a 20 percent cut, \$250,000 to the Shelter Allowance for Family Renters program, if he would consider following the recommendations from the Children and Youth Secretariat working group in developing a strategy to better promote that program and not have this kind of program reduced in availability for Manitobans when, again, you are claiming in your

throne speech and in your budget that you realize that there is an unacceptable level of poverty in this province and you want to start trying to deal with that, and this is exactly the kind of program that does that.

On average, about \$125 per month goes a long way when it is a family that is earning what some of these families are, and I can see the minister is looking at the pamphlet and will know that these are families that are often earning less than \$10,000 a year.

So this is the kind of program that is really necessary, but there has to be some commitment by the government to really have it be utilized, and that includes better promoting of it. I have a couple of suggestions that I am going to offer in how to do that, but, first of all, I just want to see if you are going to reconsider this now, given what the Children and Youth Secretariat is recommending.

**Mr. Reimer:** The member is alluding to the report of the Child and Youth Secretariat. I have the report that was presented, I guess, at the same time the member got it. There are benefits that are identified in there through the SAFER and SAFFR programs, and I guess the comment that can be made is that the program is there for the benefit of anybody who wants to apply for it.

If they meet the eligibility criteria through the application form, there should be no reason at all why they would not be accepted. The member is aware that it is based upon incomes, where we pick up up to 90 percent of the eligible rent costs over 25 percent of the income. So it is a fairly significant amount of monies that can be realized. Under the SAFFR for families, the maximum benefit is \$180 a month and under the SAFER program it is \$170 a month. It is based on eligibility. We do not restrict who can—I mean, how many people can apply? We base our budgetary considerations on the history of the applications.

Over the last few years, I can point out that in 1993-94 under the SAFFR program, there were 850 applications; in 1994-95, there were 810 applications; in 1995-96, there were 790 applications. The applications are going down. In 1996-97, there were 762 applications, and in our Estimates of this year, the '97-98 budget that we are dealing with right now, we

have said that okay, even though they are going down, we will keep it at the same level and we have budgeted for 760 clients, for a total expenditure of approximately \$1.25 million. Granted, last year we budgeted for 850 clients; only 762 applied, so naturally what we budgeted for was \$1.5 million, but the take-up on it was just over \$1.2 million. So the budget has not gone down; it just means that there has not been that type of take-up that we anticipated.

So if people meet the eligibility criteria of income and file the application, they will be accommodated. I do not know whether there is anything simpler that I can really bring forth for the member at this time.

\* (1520)

**Ms. Cerilli:** Well, the minister is entirely missing the point. The Children and Youth Secretariat working group did not recommend more money in the program. They recommended you promote the program. I mean they can get the Estimates book and read the budgets just as well as you and I. They must have been able to see that it was underspent in the last annual report by over \$300,000. So what they want to see is the program promoted, and this is the kind of lowest common-denominator approach to your programs. It is the same thing you are doing with public housing. To try and say, oh, there is no one uptaking the program so we are going to eliminate it, that is completely unacceptable and this is serious. This is a program that prevents people from having to go to food banks. It is not the kind of program that should be reduced at this time.

So will the minister answer the question about promoting the program? I realize that people have to qualify. I realize they have to meet the criteria. But the problem is they do not know that the program exists, and what is being recommended is that it be promoted and that there be a complete use of the budget so that this program can do what it is supposed to do and help beat back the jaws of poverty that are gnawing at more and more families in this province under this government.

**Mr. Reimer:** I should point out that these programs that we are talking about, SAFER and SAFFR, are not new programs. These programs have been around

since 1980, and it is not as if this is a brand new program that nobody is aware of. It has been utilized through the '80s; we are now into almost the year 2000. It has been utilized. The people that are on social assistance and working through the social services department are well aware of this program as to its availability and the criteria.

Whether the member is suggesting that we have some sort of a radio campaign and we spend our Housing dollars that way in promoting where we can, where the people can utilize this program, I would take exception to that. I would rather spend money advertising in putting it back into the need area of providing housing or providing maintenance or providing some sort of standard that the people expect from our housing and not put it into advertising programs and glitzy campaigns and TV shows or billboard advertising that costs thousands and thousands of dollars that would have to come out of my budget somewhere else that would put some sort of strain on some other component that we feel is very, very important regarding the Housing portfolio.

So I can only reiterate that being a program around since 1980, people know about it. People would have this availability with them, and advertising money is something that I think should not be considered out of our Housing budget to promote this type of initiative.

**Ms. Cerilli:** I cannot believe the minister's answer. I cannot believe that you would not, if you find your program as important as this, as beneficial as this, does not have the uptake, that you do an evaluation. Was there an evaluation done on this program prior to you deciding to eliminate 20 percent of its budget?

Now I know that also there was a KPMG study that was done in '88, '89 that recommended that this is the kind of program the Department of Housing should start to focus on, and I know that there are also at least 34,000 individuals and families that are using food banks in this city and that they are the ones that would benefit from this program.

I am not suggesting that your promotion or your strategy in dealing with this is billboard campaigns, but I will give you one strategy that I want you to consider, and that is to put information in with families' and

citizens' income tax return—the package, the section that the provincial government is responsible for—that will tell them that if their line on the income tax statement, their income is a certain level and they have considered the dependants that they have, that would tell them that they would qualify for this program.

That is one strategy that you could use to inform people. It would not be expensive. It would include putting information in with materials that are already prepared through Finance, and I know that this is something that we have checked on that would be reasonable, that you do have the capacity to do this through the Department of Finance.

So I am wondering if that is one thing that you would consider to try and comply with the recommendations coming from your own working group on dealing with families particularly that are low income, rather than trying to use poor management of the program or poor uptake and poor promotion as a justification for cutting back on the program.

**Mr. Reimer:** I really am at a loss to try to explain it further as to the reason why the amount on the budgetary line is less, other than has been pointed out. It is totally driven by the demand. If there are more applications and more people taking advantage of the program, more clients, then naturally the expenditures are going to go up on it. If there is less and it is a difference between our expenditure line and our budgeted line and what the actuals are, that is not a cutback as the member is referring to or alluding to, that we are cutting back on our amount of commitment to the people. The shelter allowance amounts, the criteria and the eligibility remains the same. The people are not being jeopardized in the sense that we are cutting back on the amounts. We are cutting back in the expenditures because it is a demand-driven situation.

We budget so much for utilization and we put a number on it, and if we do not get that amount of people that does not mean that money is a cut. It just means that it is not utilized. As for the fact of advertising it, these brochures—I know they are in our Housing department. They are available for distribution. They are in all the Family Services offices, the people that go in there—

\* (1530)

**Ms. Cerilli:** They are not eligible if they are on social allowance.

**Mr. Reimer:** They may be in low income situations and it gives them the ability to do some consultations as to whether there are savings available. I can only say that if a person fills out the application and they are within the criteria, it is approved and they are eligible for this subsidy.

Now I do not know how much more I can say about the program. It is there; it is to be utilized. People do utilize it, and we are getting a good take-up on it.

**Ms. Cerilli:** Well, you are not getting a good take-up on it, because in the last annual report it shows that there were \$344,000 that was not used in the program. I would say when you have gone through your budget exercise, that is how you have decided to. This year, eliminate \$250,000 from that budget line, which I find completely unacceptable.

My question to you though is if you will have a discussion with your Minister of Finance (Mr. Stefanson) to look at including something in the income tax return form that will put a notice to Manitobans to suggest to them that, based on their income, they may be eligible for these SAFER and SAFFR programs, and some of these other housing supplement programs. That is what I am asking you to do; to have a discussion with your Minister of Finance to look at using that strategy to inform people that they can qualify for this program, so then you might have the uptake.

**Mr. Reimer:** It has been pointed out to me that in the Manitoba Tax Credit that is part of our return, the \$250 I believe it is, one of the things you have to do is show proof of your shelter allowance, and if people are getting—if it is in the form right now, it is being advertised in a sense when people make this application for the tax return.

So in a sense they are already being informed that the eligibility of a tax shelter subsidy is there and it exists. I think that is an important part of the analysis right now of what the people have available for them. They do have the ability to recognize that there is a shelter



allowance availability. The numbers—actually the member keeps alluding to the fact that the budget is going down, but it is the takeup that is going down. It is the clients who are utilizing it.

In 1993-94 under the SAFER program—I was referring to SAFFR before—there was 3,656 who utilized the program. In 1995-96, the number was 3,602, going down. In 1996-97, it is 3,548. It is still going down. In our Estimates of this year, we are increasing it a bit up to 3,590. So the utilization of these programs, both are on the decline, even though, as pointed out, there is a recognition in the tax return that goes out, through the Manitoba subsidy of \$250, that your rent subsidy has to be noted to get the property tax rebate.

I do not know how further we can make it more clear to the people that they have this availability and that if their criteria and their eligibility is there, they get it.

**Ms. Cerilli:** I am wondering if the minister can explain then, he has now admitted that there has been, you know, low uptake on this, have they done an evaluation on this? How does he explain that there has been this low uptake? Has he considered how the program affects low-income Manitobans' tax returns? When they file their income tax, what is the ratio of the money that they lose off their tax return if they have to account for an additional, say, \$125 per month more from this program as income on their tax return?

That is one of the other concerns that I have heard, is that people like when they get their tax refund, income tax refund, that they get a lump sum, and that with this program, if it, that money, is taken almost dollar for dollar away, then it is not much good in the first place; maybe to help people get by month to month, but when the end of the year comes they get it given with one hand and taken with the other at a different time of the year. So I am interested in finding out what kind of evaluation was done on this program prior to your making the decision to eliminate \$250,000 from it in this budget.

The same goes for the same amount for the seniors program which—it is a lower percentage for the seniors program because it is a larger program, but the uptake on that is also declining, and it is certainly not because seniors incomes are increasing. We know that it is just

the opposite, that the real take-home income of Manitobans is going down and that these programs are not indexed in the same way that seniors pensions are.

**Mr. Reimer:** I should point out to the member that even though the average income or the mean income or the level of income in Manitoba may have been going up over the last while, the eligibility criteria under the SAFER program is still the same as it was in 1991, so we have not adjusted our eligibility income since 1991 as to who will qualify. So, in essence, even though the Manitoba economy is doing better and there are more people working and there are more people making money and having their income rising because of the economic performances of Manitoba, the qualifications for and the eligibility under the SAFER program are still in the 1991 mode.

So this is actually of a benefit for people that look at the level of their existence in a sense of we have not adjusted the rate to, as the member says, inflation of the annual income. What does happen is when the federal government looks at their social allowance and the benefits that they recognize, they do consider shelter as part of the indexing process. So the federal government, when it is adjusting their pension eligibility and their monies that the person is receiving, it may increase because of the indexing of their pension. Our program here under the SAFER and SAFFR programs is a rent subsidy program. It subsidizes rent, not income, but it is based on the eligibility of income, and we have not adjusted it, like I say, under the SAFER program here since 1991.

**Ms. Cerilli:** I mean what this is really amounting to, no matter how the minister tries to explain it away, is the government is turning its back, once again, on low-income Manitobans. Even though he says it is not an income support program, it is a rent supplement program. The income tax statement, when it is prepared, considers the money that they get under this program, like so many other government tax credits, as income, and that is what I am trying to get at is how much—if people get—

#### Point of Order

**The Acting Chairperson (Mr. Penner):** The honourable minister, on a point of order.

**Mr. Reimer:** Shelter allowance benefits are not taxable.

programs are initiated and what the goals and objectives of them are.

**The Acting Chairperson (Mr. Penner):** The honourable member for Radisson, on the same point of order?

What I can give the assurances to the member is that I can bring these items forward to not only my department for more close analysis regarding the applications and the availability of applications, I can also, through my Seniors department, make sure that there is access to these types of applications and these types of information forms so that it will, hopefully, maybe, start to put some more factual information into the hands of the people that are eligible to make the decisions and possibly even give better avenues of consultation through Family Services so that the forms that are available, that there is the ability for them to respond in a more knowledgeable manner when people are seeking advice on these things.

**Ms. Cerilli:** No.

\* (1540)

**The Acting Chairperson (Mr. Penner):** There was no point of order. It was simply a matter of factual statements or information. The honourable member for Radisson.

\* \* \*

**Ms. Cerilli:** Then this is one of the problems with the program because people in the community that I have talked to, people who are working with low-income families, that is not clear to them, and low-income families and those support workers believe that that is what is going to happen. So this may explain one of the reasons that the uptake is down, because that is not clear to them. That may be clear in the pamphlet, but when you are dealing with seniors and a lot of other families that, you know, are disadvantaged, they have trouble dealing with information that is just in a pamphlet, and they may need some additional ways to help with—there may be problems with literacy, there may be problems with just figuring out how to just fill in forms, Mr. Chairperson.

I guess it is like anything. It is a matter of trying to get the right information into the people's hands so that they can make an informative and an accurate assessment as to whether they would want to apply for these programs and whether, more importantly—the eligibility and the criteria that must be adhered to. So I guess it is like anything; the more that you can get this information into the people's hands through the available channels, the better they are able to make informed decisions on it.

So I think that there does need to be a strategy to promote this program, to clarify some of these problems, because when I talk to people in the community about this, that is what they said is that people are going to lose that money as it would be refunded to them on their tax return. That is what I am trying to identify in this program is what the ratio is. If they get \$125 per month and they have to account for that on their tax return, what impact that has on their tax refund.

**Ms. Cerilli:** Well, I cannot imagine that this kind of program would increase their income level to so much to put them in a different tax bracket. If that is what the minister is saying cannot happen and there cannot be any loss, then I would just encourage him to even go beyond having his department consider looking at the suggestions I have made but to make a commitment to better promote this program. There are lots of ways you can do free advertising. You have now undertaken to have a special group in your department do marketing so that you can fill your vacancies. I mean, this is another similar kind of problem that you have in your department in terms of the uptake on this program.

**Mr. Reimer:** I guess it is like all programs possibly within government. Sometimes there is a misrepresent—I should not say misrepresentation. There is a misinformation of the interpretation regarding how the

I also want to ask you, especially with the program for seniors—it has been brought to my attention that there have been some changes in the way that the seniors have to account for their income, that there has been a change from moving to net income to looking at taxable or total income, and that figure continues to be

changed. I am wanting some explanation for why that has occurred with this program. Why are you using a different number?

With a lot of these government programs, it is always baffling to people why you look at the difference between their gross and their net, and they do not actually have their income figured out by what they actually get to take home and put in their pocket. It is before all the reductions and taxes are taken into account. So that is another area, I think, that you should look at and that is a concern, and I do not understand why there has been this move to have net income no longer used and you are now looking at taxable or total income.

**Mr. Reimer:** To the best of our knowledge, it always has been based on gross income, and that is the calculation of the RGI. There has been no change.

**Ms. Cerilli:** Well, I have copies of one individual's tax return who has brought this to my attention. All I can do—I will write a letter and I will share this with the minister, but I encourage you to take a look at this year's tax return, because this is an issue that also the Manitoba Society of Seniors are interested in, that they are looking at as well.

Further to that, in following up other questions I have asked in the House, this program has had a requirement in regulations—the seniors program now I am talking about. The seniors rent supplement program has had a requirement in the regulations that the formula would be reviewed annually, and now I understand that is no longer occurring, that there has been a change. Can the minister confirm that or clarify that for me?

**Mr. Reimer:** I am informed that it has been reviewed, but there has been no change in the application of it.

**Ms. Cerilli:** I am looking at the section of the regulation 3.(3) that speaks to this. The income ranges and rent ranges to which the formula is set out in subsection (1) are applied shall be reviewed no less than annually and revised as required by the board. I would be interested in getting some kind of report that summarizes the analysis of that review, to look at any recommendations or reasons that are being given for

either maintaining the program as it is or not maintaining it.

\* (1550)

You know, it is the same issue that we are always dealing with when we are looking at rent geared to income. Again the minister can correct me, but as I understand it, that is not decided based on the amount that tenants have as take-home income, as that they actually get, but it is on the income that they have prior to having any deductions made.

**Mr. Reimer:** I think the member is well aware that I have resisted the area of trying to always make our budgetary commitments through the raising of additional revenue through the raising of our rental formula. We have resisted this now for the last two or three years. We have resisted this approach because I do not feel that we should be making our budgetary commitments and obligations on the backs of some of the seniors and some of the people that cannot afford the situations of rental increase.

The federal government has advocated and lobbied very extensively to raise the rates to 30 percent. Other areas of jurisdiction in Canada have done this. We have been of the opinion that we can possibly look within, or changing our priorities in a more constructive manner of the best utilization of our funding to meet our budgetary commitments through other avenues of endeavours. We have been able to, fortunately, do this, and a lot of it is due to the credit of the staff and the commitment of our people in the department of looking analytically at where the money is going and how it can be better utilized, or how it can be deferred possibly for another year and redirected into some areas where it has a better use.

We are of the opinion that a better utilization of funding can be done by not raising our rent, our RGI percentages, but we have always consistently used gross income in our RGI calculations. That is very similar to what we mentioned before. That has been our policy, and we have no intention of changing that. In fact, it is actually a requirement. It has been pointed out that this is part of our requirement in our federal-provincial obligations. So we cannot change it to a different analysis other than the gross.

**Ms. Cerilli:** Well, I am going to have to clarify that at a later date, because I have dealt with this in casework in my own constituency. But I want to ask a few more questions about the shelter allowance for senior renters, and again I have information. I am going to put the details in a letter, but just on a general trend, it seems that there is a problem with this program as well because this fellow since '89 has had his rent continue to go up. His income has gone up marginally, but his SAFER supplement has gone down. What would be any changes that have been made in the program since '89 which would have caused this?

**Mr. Reimer:** Not knowing the specifics of the case, and as the member has indicated she is going to send me more detail on it, I can only venture to say that if the individual's income goes up and the formula is based on income, then naturally the benefit that he would derive from the program would go down. That is the only correlation I can see between the two of him saying that the amount of money that he receives is going down. It is in direct correlation to his income rising.

**Ms. Cerilli:** But I think, when the minister looks at the figures for the actual amount that the senior is netting, that the program is doing less to supplement the rent than it has in the past. So it is not a fair reflection of how much the income has gone up, but I do not want to get into the detail of numbers here in Estimates. I would rather do that by correspondence with the minister.

I do want to ask one similar kind of question though about the co-op share loan program which has also been reduced in this budget and which I know, according to phone calls I have gotten, has been put on hold in terms of accepting new applications or giving out new loans for Manitobans that want assistance in becoming a member of a housing co-op. So I would like some explanation of why these changes are being made in this program. There has been, just in the Estimates from last year, over \$36,000 that has been reduced in the budget line, but then, as I understand it, this has also been frozen.

**Mr. Reimer:** What the member is referring to is the ability for new tenants to purchase shares to become members of the co-operative, yes. What this is, is it provides an interest-free loan to assist them in the

purchase of these shares. In looking at the amount of applicants in 1996, there were only 18 loans that were applied for, for a total expenditure of just over \$9,000.

Looking at that type of criteria and the declining pickup on it and the participation with the co-op shared equity loan program, decisions as to the budget line were adjusted accordingly to the demand on it. I will just get my budget book to see exactly where that—I am just trying to figure out where the member had that notation of the amount of money that was on that. What page were you on?

**Ms. Cerilli:** It is in the Estimates book, page 36. Oh, this is Complementary Assistance. It is not shown at all in the Estimates book, so maybe you have completely eliminated the program.

**Mr. Reimer:** It is in the Loan Program, part of our loans.

Because this is an interest free loan for the purchase of these memberships, we show the interest that we charge to ourselves for the utilization of these monies. As has been pointed out, it is on a very declining nature, and the pickup on that has not been very significant.

So the amount of loans that have been asked for and applied for, like I say, in 1996 was only 18. The expenditures and the interest that they would have had to pay which are brought forth through our department as an expense item was just over \$9,000; nine thousand, four hundred and something dollars. So the program does not have a strong pickup and a strong appeal for the utilization of it.

**Ms. Cerilli:** I think that given what the minister has said, there has not been a big pickup. First of all, I would object to that same analysis being used whether it is with public housing, whether it is with SAFER and the SAFFR, that it is not reasonable to eliminate these programs based on that kind of analysis.

But further to that, I think that the co-op housing programs in the country and in Manitoba have all sorts of problems, that essentially co-op housing is at risk of being wiped out because of the formula that was used by the federal government in designing their program. I know that Manitoba has another small program, but I

just want to urge the minister to do an analysis and an evaluation of this program, as well. I know that the co-ops do rely on it to develop new membership and that it does not really cost anything in the long run because these loans are always paid back. I have also written the minister specifically about this program, and I guess I will wait for your response in writing to my letter from March 7 without going into any more details on to that.

\* (1600)

There are a few other issues I want to deal with quite quickly. This actually has to do with a development that is in the minister's own riding, I believe. There was an agreement developed with Ladco in 1989 to develop lands that are near the Bishop Grandin area, Bishop Grandin and Highway 59 area, and there is a problem, as I understand it, where the revenue projected to flow from that development has not occurred. The revenue has not developed. So I am wanting to find out in 1989 what the projections were for revenue, and how that compares with the final cost and any profits here in 1997 for this development. Maybe I can get that verbally now and then get a commitment to get the year-by-year statistics after we are finished with the Estimates.

**Mr. Reimer:** I have been told that one of the reasons why the revenue expectations were not realized was the fact that they did not have the pickup of the units, the housing stock, or the building of new homes in that particular area. That is one of the reasons why we did not realize monies that were budgeted. It was just the market dictated that homes were not being built and not being sold. So naturally it affects our revenue stream on the joint venture.

**Ms. Cerilli:** As I understand it, there was a \$2-million initial investment into this project. Could you confirm that, and tell me then what the cost to government has been on this? What has been the loss to the public of Manitoba?

**Mr. Reimer:** I should point out that what we are talking about is the development of a joint venture to approximately develop 1,900 building lots in that whole complex if it came to fruition. However, the total acreage is 475 acres. MHRC contributed 179 acres,

and the rest was with Ladco. The profits that are generated are naturally based on the relationship, so it is approximately 62 percent for the developer and about 37 percent for MHRC. So far in phases 1, 2 and 3, 305 lots have been developed. Only 196 lots have been sold, and our realization to date has been just over \$650,000 as a return on our investment.

**Ms. Cerilli:** So how does that match with what you projected to have by 1997, if you have got \$650,000?

**Mr. Reimer:** I would think that it would be far less than what we expected in looking at the total development of 1,900 lots. When you have only got 305 developed out of 1,900, naturally that is going to reflect on the capabilities of recovering the monies that are projected on the revenue side. So it is all relative to, as more lots are sold, our percentage share will grow but market will dictate whether we ever come to 1,900 lots in that particular area. That is an awful lot of homes.

**Ms. Cerilli:** You have the number with you that you have \$650,000 as of this year, but what I am interested in finding out then is what you had projected to have this year. There was a schedule that would have been developed to try and project what your profits were to be, and I think it is important that we know that.

**Mr. Reimer:** Those are figures that we can work on and get them back to the member. We do not have the projections with us at this particular time, but we can certainly make those available.

**Ms. Cerilli:** Do you know how many lots you had anticipated to have sold by this time?

**Mr. Reimer:** I guess it is all in the same package of projections and that would be part of the answers that we will be providing to the member.

**Ms. Cerilli:** What is the duration of this agreement, and how many years did you anticipate it would take to develop all 1,900 lots?

**Mr. Reimer:** I am not sure of the exact date. It was entered into in 1989 and a comment has been made it is either a 15 or a 20 year joint venture.

**Ms. Cerilli:** So we are almost at—well, we are into definitely the eighth year of this agreement, and it looks like you are running a loss in this program. How can you explain that? How do you explain that this program, where you have invested \$2 million into housing on the outskirts of the city of Winnipeg, is costing the taxpayer?

**Mr. Reimer:** I can guess we can look back to, I believe it was called the Leaf Rapids Development Corporation that was set up by the previous administration and some of their visionary projections as to why we should have bought this property and why we are still trying to develop it.

This was part of a package that, I believe the honourable minister at the time, Parasiuk, negotiated through the Leaf Rapids Development Corporation, and this was part of the land that was purchased at the time. The development of a joint venture is something that is pursued for the fact of if it is a property that can be developed and there is a developer out there that is wanting to get in on a joint venture, that we should pursue it. Otherwise it is just vacant, raw land that sits there, that we carry a tremendous debt on through the purchase of I believe it was called the Leaf Rapids Development Corporation, set up in the 1980s.

This is one of the ways of trying to recuperate some monies out of it anyway, and it would be nice to feel that there would be a stronger demand for housing. Possibly with some of the initiatives that are coming about and the buying habits of the people, we can realize a faster return on it, but at least what we have done with this joint venture is we have started at the point of recuperation of some of our monies outstanding on it.

**Ms. Cerilli:** Just to wrap up then, I wonder if I could get agreement from the minister to provide me with information on the actual expenditures from last year's budget. Since in this process we always are comparing, through the Estimates book, estimate to estimate and we do not have the annual report for last year, I would like you to provide me for the budget lines in the Estimates book, the actual amounts that were spent last year. Maybe at the same time you could tell me when you anticipate having the next annual report ready, which would be for '96-'97

\* (1610)

**Mr. Reimer:** Just trying to find out where the program is, pardon me, where the whole program of expenditure analysis comes in. I have been told that, hopefully, we are trying to shorten the time requirements and the reporting stages naturally so that there can be more of a co-ordinated effort on it. I have been informed that, hopefully, we can do this shortly after the summer, in the month of September, that these numbers would be available.

**Ms. Cerilli:** I just want to clarify what you mean by the numbers. Do you mean the annual report or the spending from last year?

**Mr. Reimer:** The annual report.

**Ms. Cerilli:** Okay, then would you agree to the first part of that question, which was to provide me with the actual spending that would compare with the estimate from last year. So what I am interested in having is the actual spent from '96 to '97 for the budget lines in the Estimates booklet.

**Mr. Reimer:** I believe that the department is meeting with the auditors now. They are trying to come to a speedy conclusion on it so that we can resolve our books. I can only make the commitment to the member, as soon as we have it, we will try to make it available as fast as we can.

**The Acting Chairperson (Mr. Penner):** Item 1.(b) Executive Support (1) Salaries and Employee Benefits \$576,800—pass; (2) Other Expenditures \$142,600—pass; (3) Less: Recoverable from Urban Affairs (\$218,100)—pass; 1.(c) Financial and Administrative Services (1) Salaries and Employee Benefits \$1,752,700—pass; (2) Other Expenditures \$457,500—pass; 1.(d) Information Systems (1) Salaries and Employee Benefits \$686,800—pass; (2) Other Expenditures \$1,060,400—pass.

2. Housing Program Support (a) Administration (1) Salaries and Employee Benefits \$146,400—pass; (2) Other Expenditures \$29,300—pass; 2.(b) Research and Planning (1) Salaries and Employee Benefits \$352,800—pass; (2) Other Expenditures \$163,600—pass; 2.(c) Client Services (1) Salaries and Employee Benefits \$833,400—pass; (2) Other Expenditures \$309,400—pass.

Resolution 30.2: RESOLVED that there be granted to Her Majesty a sum not exceeding \$1,834,900 for Housing for the year ending the 31st day of March, 1998.

30.3 The Manitoba Housing and Renewal Corporation (a) Transfer Payments \$32,483,600—pass; (b) Grants and Subsidies \$5,820,300—pass.

Resolution 30.3: RESOLVED that there be granted to Her Majesty a sum not exceeding \$38,303,900 for Housing for the fiscal year ending the 31st day of March, 1998.

The last item for consideration for the Estimates, Department of Housing is the item of the Minister's Salary. At this point I would ask the staff to leave the table, and we thank you before you leave. Thank you very much for your assistance and kind co-operation.

**Mr. Reimer:** Just before we pass this line regarding the Minister's Salary, I just wanted to make comment and give credit to my staff of Manitoba Housing. I can honestly say that being a cabinet minister sometimes takes a lot of perseverance and understanding, and you can only have that type of understanding if you have good and capable people around you. I feel very fortunate that the people I have with me with Manitoba Housing, right from my deputy minister down to the caretakers in the units and the hundreds of people that work for Manitoba Housing, give forth an effort that I am very, very proud of. I just want to say that if it was not for the staff and the commitment that I have right from the top down, the job would not be as enjoyable and as fruitful as I have experienced it over the last year. I just feel that I should give credit to the people who do the decision making and give me the advice to make this a very, very productive department.

So with that, Mr. Chairperson, I just wanted to say that.

**The Acting Chairperson (Mr. Penner):** Thank you very much. The item of the Minister's Salary.

**Ms. Cerilli:** I want to take one minute here, and there is one thing, and I am going to see if the minister can answer this question when his staff are gone. We were just discussing the SAFER and the SAFFR programs,

and I am wondering if he knows if those programs are supported at all by transfer payments from the federal government, or are those completely financed through the budget of the Manitoba government.

**The Acting Chairperson (Mr. Penner):** I will allow the question if the minister chooses to answer. However, the item that we are debating or considering at this time is the Minister's Salary. We have passed the Estimates. If the minister wants to answer he can.

**Mr. Reimer:** As to the question that the member asked, I believe that the program is a Manitoba initiative and because we are in joint sponsorship with our Manitoba Housing and the federal government, their funding in regard to the transfer to Manitoba would indirectly have some bearing on the amount of monies that are allocated through the SAFER and SAFFR programs. It is a program that we have initiated as a responsibility of our government, so I would think that the allocation is a commitment that we have within our government for the program to succeed and to fulfill the applications that come forth.

**Ms. Cerilli:** One other question is: Have there been any meetings between the minister's deputy and perhaps other senior management with his department and members of Treasury Board or the Premier's Office that the minister has not attended?

**Mr. Reimer:** My deputy minister meets with a lot of people that I am not aware of on a continual basis of who he meets with and into what types of conversations. I can only give him the latitude of making decisions and making meetings that he feels are appropriate to the administration of his office. I do not put restrictions or classifications as to who and what he can see or who he can or cannot talk to. I rely very heavily on his judgment and his ability to seek advice whether it is through my department or any department in government here in Manitoba or even within other jurisdictions. I have the confidence that his ability to come forth with a valued opinion that I seek from time to time is researched to the best of his knowledge, and I have utmost faith in my deputy as to his abilities to make decisions.

**Ms. Cerilli:** What is the schedule for the minister's briefings? How often is the minister briefed?

**Mr. Reimer:** I guess every day is a briefing process because as events arise and situations arise, I have no problems at all, whether it is done on a formal basis or phoning my deputy or phoning my department or phoning right down to some of the people that are on the front line to find out answers or questions that come about. So there is not a formal schedule of briefings by myself by my department. I feel that if there is a question that I want to know about or, pardon me, an answer that I want to find out, I will either have someone find out for me or else I will make the phone call myself. So I do not restrict myself to not talk to my staff at any level.

\* (1620)

**The Acting Chairperson (Mr. Penner):** The item for consideration is item 1. Administration and Finance (a) Minister's Salary \$12,900—pass.

Resolution 30.1: RESOLVED that it be granted to Her Majesty a sum not exceeding \$4,471,600 (for Housing for the fiscal year ending the 31st day of March, 1998).

This completes the Estimates of the Department of Housing. Thank you very much, Mr. Minister. Thank you very much to the critic and all members of the committee.

## NORTHERN AFFAIRS

**The Acting Chairperson (Mr. Penner):** Next department on the agenda here is Northern Affairs. Can we call in the minister and staff or shall we recess for a few minutes to allow for orderly procedure or orderly transfer of staff from one ministry to the next? What is the will of the committee? Let us call a 10-minute recess.

**An Honourable Member:** 4:30.

**The Acting Chairperson (Mr. Penner):** 4:30 it shall be. Thank you.

*The committee recessed at 16:23 p.m.*

## After Recess

*The committee resumed at 16:33 p.m.*

**The Acting Chairperson (Mr. Penner):** Will the Committee of Supply please come to order. This section of the Committee of Supply will be considering the Estimates of Northern Affairs. Does the honourable Minister of Northern Affairs have an opening statement?

**Hon. David Newman (Minister of Northern Affairs):** I do, Mr. Chair.

This being my first participation in the Estimates process as a minister. I am very pleased to begin with a very small audience and in the presence of the honourable member for The Pas (Mr. Lathlin), and you, Mr. Chair. in particular. such a distinguished Chair.

Mr. Chairman. I am pleased to present the 1997-98 Estimates of the Department of Northern Affairs. The department is addressing a large range of unique issues affecting aboriginal peoples in northern residence and the future development of northern Manitoba. These are exciting times for the North and the people who live there. The decisions we make now will have a long-range impact and will lead to improved living conditions and opportunities.

Our mandate is to co-ordinate and promote initiatives relating to aboriginal peoples in northern communities. In order to address this dynamic environment of change, our approach has been to develop partnerships and co-operative approaches with communities, aboriginal organizations, government departments and agencies, other levels of government and nongovernment bodies.

Mr. Chairman, a moment ago I mentioned decisions that will have a profound long-range impact on northern Manitoba. One of them concerns negotiations on Northern Flood Agreement claims. These are expected to be successfully concluded soon with community ratifications taking place by this summer. Similarly, significant progress is being made on finalizing treaty land entitlement or as we call them, TLE negotiations.



These negotiations arise from Manitoba's constitutional obligation to return land to Canada in order that the federal government may address outstanding land obligations to certain Indian bands through the signing of treaties. Seven TLE agreements have been completed to date, and we expect to sign a TLE framework agreement with Canada and the remaining 19 bands soon. The settlement of this outstanding obligation, which has existed for decades, will help secure economic progress and independence for the TLE communities.

To speak personally for a moment, I have a keen interest in meeting with the leaders and residents of northern and aboriginal communities, and intend to make my job one of getting out into the field to discuss policies and policy ideas. We intend to work with northern and aboriginal communities and increase their independence opportunities and ability to create their own destinies. In our programming and partnerships, Mr. Chairman, we are putting children and youth first. Our focus is on developing services and programs that are in the best interests of the generation to come.

I would like to briefly mention some of the completed and continuing initiatives in which we are partners or supporters: First, the recreation and sports initiative of Mochikitahwak which plans to have projects in 10 northern communities this year. Initiatives focus on children and youths under the Children and Youth Secretariat, which will include the aboriginal community as an important partner. Family group conferencing, a full-time urban sports camp to be established in Winnipeg's core area this summer. The Aboriginal Health and Wellness Centre at the Aboriginal Centre of Winnipeg operated by an aboriginal institution. This centre is funded by Manitoba Health. It will take a holistic approach to health and incorporate aboriginal values and knowledge. The urban aboriginal strategy, a provincial round table initiative with aboriginal participation. The round table involved there is the Round Table of the Environment and Economy chaired by the Premier (Mr. Filmon).

\* (1640)

As part of the Manitoba Marathon, an initiative to involve aboriginal organizations in raising funds for

treating fetal alcohol syndrome, this will be called the Aboriginal Challenge Relay and it takes place on Father's Day.

A Child Find strategy to prevent runaways in the aboriginal community.

The Partners for Careers program in which three of six members of the advisory board are aboriginal youth representatives and three on the advisory board are employer reps.

The Blueprint for the Future Aboriginal Career Fair, which took place last week, and that was the Blueprint for Careers organized by John Kim Bell, ably assisted by his wife, Dr. Judy Bell. It was an enormous success in terms of attendance and in terms of the quality of the workshops and the participation by the employer community, the federal government and provincial government in the collaborative kind of model that I have been speaking to.

The Northern Youth Conference in Thompson which took place over Easter weekend was an aboriginal initiative led by aboriginal youth, in particular Greg McIvor and several other co-ordinators, one of them being Willie Miswagon. It was an aboriginal initiative that our department both supported and I had the good fortune to participate in with my wife over the Easter weekend, beginning on Good Friday and through Easter Monday.

Facilitating continuing support for a solvent abuse program originating in the Indian and Metis Friendship Centre here in Winnipeg, a program that was funded by the federal government for two years. The funding came to an end March 31, and we are in the process of helping them survive until federal funding is, hopefully, resumed for a fundamentally important solvent abuse program that has two years of useful developmental experience. Excellent materials have developed, and they are just in the process of introducing it into the systems of disseminating information.

The north central hydro line, which is progressing well. When completed, this line will bring improved power and health and economic opportunities to nine northeastern communities in the province.

We are making progress in negotiations with Indian bands on two significant issues. The first is taxation agreements with regard to gasoline, cigarette and other provincial taxes with respect to reserve lands. We have also worked out agreements with 26 Status Indian communities on aboriginal gaming. A new aboriginal gaming working group is in the process of being formed and it will be addressing future policy in this field.

Mr. Chairman, as my colleague the Minister of Family Services (Mrs. Mitchelson) will discuss in more detail, Manitoba will work with other governments to provide a new national child benefit. We welcome this nationwide initiative and, in particular, the participation of the federal government. Children who begin their lives in want and poverty lack the fair and equal chance to flourish, grow and achieve what Manitobans believe should be the birthright of every child. The evolving joint federal-provincial initiative promises to help reduce economic deprivation among many Manitoba families with children. However, we are not yet satisfied that this new initiative in itself contains sufficient measures to address the very special problems of child impoverishment of mind, body and spirit that affect many of Manitoba's aboriginal people. Taking action to overcome the levels of impoverishment in their communities is an urgent necessity.

Mr. Chairman, as was stated in the throne speech, and I quote: "In this spirit of partnership, my government will be announcing a new initiative to place unemployed aboriginal high school, college and university graduates into positions in the private and public sectors by encouraging employers to commit to a number of entry level positions each year for aboriginal graduates. This program will help address the high levels of unemployment in the aboriginal community and will be financed in part by the provincial and federal governments."

It is expected that this program called Partners for Careers will commence shortly. Through our government's partnership approach, we are working with northern residents to help them gain independence through jobs. Under the new Employment and Income Assistance program, Northern Affairs is a partner in Employment First initiatives.

We are encouraging community councils in Northern Affairs communities to hire income assistance clients for local projects. To support this provincial initiative, the department allocated \$40,000 to top up the participants' salaries as an incentive. As a result, 48 recipients are employed by community councils. We will continue our partnership with Family Services, northern residents and community councils in '97-98 by allocating another \$40,000 to encourage councils to use the program.

I would like to take this opportunity to thank and commend the many councils whose outstanding contributions, support and participation have helped to create a climate for helping clients gain the opportunity to learn the skills and experience they need to obtain jobs. We are looking forward to receiving the recommendations of the task force on apprenticeship which are expected this spring. I believe they will lead to revitalization of apprenticeship, a cornerstone of Manitoba's training strategy that offers exciting career opportunities.

Mr. Chairman, Manitoba wants to create an environment where apprenticeship opportunities for aboriginal peoples will be enhanced. I would like to mention one current program, the Aboriginal Apprenticeship Initiative. It focuses on trades related to residential construction, the carpentry, electrical and plumbing trades. The key element of the program is that it takes the special needs and conditions of northern communities into account.

Mr. Chairman, we are strongly committed to improving the quality of life of northern and native residents. This includes meeting needs that go beyond employment, such as a healthy environment and opportunities for recreation activities. A recreation program was put in place by a request from leaders of Indian bands and Northern Affairs communities. They are concerned with the deteriorating health of their people, the high rate of suicides in youths, and the increase in youths committing substance abuse and crime.

Recreation used to be a natural part of the aboriginal lifestyle in the past. The leaders have told us that lifestyles have changed and that their people are less involved in participating in and leading recreational

activities. We agreed that overcoming barriers and devising solutions had to start at the community level. The most successful solutions consistently noted are community ownership, awareness of benefits of recreation to residents and leaders, multiyear planning, communications, access to resources and community networking.

Mr. Chairman, based on our consultation process, we are strengthening this program. A new initiative is being developed this year. A staffperson is assigned to provide community development in recreation and wellness programs. This includes assisting residents in planning for the future of the community involving a variety of individuals and community bodies such as residents, schools, churches, business and health workers. This will ensure the community is in the driver's seat. The programing and skill development will be tailored to a community's needs. Recreation and wellness programs will be appropriate to the resources, community location, culture and lifestyle of the community.

Mr. Chairman, this past year we took a leadership role with Manitoba Hydro in discussions with the communities of Thicket Portage and Pikwitonei regarding enhanced hydro service. As many of you know, we announced earlier this year that a \$4.5-million transmission line will be built to these communities. Until now they have had 15-amp service provided by diesel generators which restricts electrical use to small appliances. I am very pleased to advise the committee that full electrical service utilizing the new transmission line commenced several weekends ago.

With the establishment of regular electrical service, residents will enjoy unrestricted use of electrical appliances. There will be new opportunities for business to expand or use equipment that previously could not be operated because of limited power supply. The availability of electricity will provide opportunities for expansion of businesses requiring power such as service and contracting to the forestry industry. More businesses mean more jobs for local people. This is a major step forward for the people in Pikwitonei and Thicket Portage. Service from the main power grid will have a positive effect on their quality of life.

The credit for these accomplishments must go to the residents in communities themselves. Nearly 90 people

participated in clearing 95 kilometres of hydro line right-of-way, and they did it over the winter months. Mr. Chairman, it is a pleasure for me as a minister to see communities play an active role in developing their initiatives. We are focusing our attention on enhancing opportunities for more autonomy and initiative as well as improved quality of life of people who live and work in our northern and native communities.

Mr. Chairman, an important responsibility of my department is overseeing local government in unincorporated Northern Affairs communities. As Minister of Northern Affairs, I am committed to strong movement towards healthy, sustainable and more independent communities in the North. It is vitally important that the people of northern Manitoba feel they have influence and are full participants in our province. We believe that if communities are given a clear picture of what incorporation means, if they have confidence in their level of development, if they can offer adequate salaries to entice skilled staff, if they have resources to operate sustainable municipal services and funding guarantees, they will take this opportunity.

In this fiscal year, we will develop a consultation process with the aim of empowering communities to take on more authority and responsibility for managing their own affairs. This will include investigating the feasibility of long-term financial security for communities and developing long-term sustainable plans for communities wishing to incorporate. The plans will include community, employee program standards and means of monitoring and evaluating outcomes.

Mr. Chairman, the credit for our accomplishments over the past year goes to the staff in my department and to the aboriginal peoples, northern residents and community councils who are working with us in partnership to target and achieve our goals. I would like to take this opportunity to thank my staff for their accomplishments and commitment to aboriginal peoples and in northern Manitoba and its residents.

\* (1650)

**The Acting Chairperson (Mr. Penner):** Thank you very much, Mr. Minister. Does the official opposition

critic, the honourable member for The Pas, have an opening statement?

**Mr. Oscar Lathlin (The Pas):** Mr. Chairman, I am also pleased to once again participate in the Estimates process to discuss the '97-98 budget of the Department of Northern Affairs.

I would like to start off by offering my congratulations to the new minister who has been appointed Minister of Northern Affairs and also responsible for aboriginal affairs and Mines and Energy and whatever else he is responsible for in Northern Affairs. I, on behalf of all northern people, welcome him. I know he has travelled to The Pas on at least two occasions that I have seen him there. The first time I saw him there was a couple of years ago, I think, or a year ago when he attended the Trappers Festival while he was doing some child care work, I think. He was doing some kind of committee work in The Pas anyway, daycare or some item—[interjection] civil justice, right, yes. I know he has been up there since to visit The Pas, so I welcome him to northern Manitoba and also to the Department of Northern Affairs. I would also like, of course, to wish him well with his new responsibilities, wish him health and I was going to say a good mind but he has a good mind already, so I will just wish him good health and, you know, all the success as he goes about with his new responsibilities.

I would also like to acknowledge, before we get into Estimates, the hard work and the unfailing commitment of people who reside in northern Manitoba whether they are residents in the MKO jurisdiction or in the NACC, the tribal councils, and even in those individual First Nation communities, you know, the towns, The Pas, Flin Flon and Thompson, Snow Lake, Gillam and those communities and Churchill, because I think, as the minister will attest, I do not think you have to be a special breed to be able to live in the North, but I think it takes a special person anyway.

Some of us have moved there. We could have been holidaying or we could have been visiting or employment might have taken us to northern Manitoba, and a lot of us have ended up staying in northern Manitoba and calling it our home and stayed there forever. Then a lot of us are, of course, indigenous to the North. We have no other place that we can call

home in southern Manitoba or elsewhere in Canada or even in the world for that matter. That is where we were born, and we do not have any other homeland or motherland, I think it is called.

So that is where we are from and that is our home along with all the other people who have decided to maintain residence in northern Manitoba. So I acknowledge the hard work and the commitment of all those people who reside in northern Manitoba.

Sometimes we complain about not being well looked after by the government of Manitoba because we live in the North. Sometimes we accuse the government of punishing us because we happen to have been born and are residing in the North, but we keep working. We never give up, and I think that is what makes northern people the special people that they are.

I am, of course, very proud to come from OCN myself. OCN has been in the news lately for its sporting activities, but I think OCN has been in the news on and off for a long, long time with its successes that it has been able to achieve from its business and its economic and education developments. For that reason, I am proud to be from OCN. I was chief there for about six years, and I came here in September of 1990, and wherever I travel in Canada today I see that OCN is on the map, and I am very proud of that fact.

So I also would like, before we get going, to offer my thanks to staff at Northern Affairs. My friend Oliver is not here. Maybe—does he still work for Northern Affairs? [interjection] Oh, good; a colleague of mine from Cranberry Portage, Oliver and I went to school together, so I have gotten to know all the people at Northern Affairs staff now. So I welcome them here today and thank them for all the hard work that they do in keeping, albeit a small department—you know when I first came here what was it—\$20 million. Now it is \$16 million, \$4 million less, but nevertheless it is still a department and it requires hard working people to keep it rolling.

My request to the minister, Mr. Chairman, was going to be—and I know it is close to five o'clock—but with the other ministers, and I think the staff are aware of this, because Northern Affairs is a small department anyway, I just usually request the minister if he would

allow us to look at the lines towards the end but at the outset have a general discussion, you know, not necessarily being stuck to a particular line but have a general question-and-answer period and then towards the end deal with the budget lines. If that is okay with the minister, I will request that we do that same thing again.

Lastly, I want to say to the minister, because I know he is new to the ministry and probably not all that familiar with—he may be familiar with the government systems and all that, but perhaps he needs a little bit of advice on people who live in northern Manitoba, the conditions that exist in northern Manitoba and so forth. I always say that I am in a very good position because I live in both worlds as it were. I have learned your language, and I have learned your custom and your religion although reluctantly, unwillingly sometimes in the past, but I have learned your language and your religion and I live exactly like you. I live here in Winnipeg when we are in session, but somehow it does not come the other way a lot of times, and I feel that is where I have the authority sometimes to be able to give you advice as to what exists, you know, what makes the North tick and so on.

I was going to say that for that reason I regard the Department of Northern Affairs as being a very important department. Previous ministers I have met, I have always made it a point to try to impress upon them that Northern Affairs is a very, very important department because it deals with northerners, it deals with aboriginal people, and it deals with northern development, not just mines and energy, but the people that make up the community.

\* (1700)

**The Acting Chairperson (Mr. Penner):** I must interrupt, the hour being five o'clock. You will have time to continue your opening comments when this committee sits again.

The hour being five o'clock, committee rise.

## AGRICULTURE

**Mr. Chairperson (Marcel Laurendeau):** Good afternoon. Will the Committee of Supply please come

to order. This section of the Committee of Supply will be considering the Estimates of the Department of Agriculture. Does the honourable Minister of Agriculture have an opening statement?

\* (1430)

**Hon. Harry Enns (Minister of Agriculture):** Mr. Chairman, colleagues, I am pleased to introduce the 1997-98 Estimates for the Manitoba Department of Agriculture. It is an honour for my department and myself to serve our agricultural and food sector, an industry vital to Manitoba's overall economy as well as to our rural communities. It is, of course, the most important activity that we engage in, that is the provision of a safe and abundant supply of food.

I am sure that members of our Legislative Assembly are aware of the important contribution of our agrifood industry to Manitoba's economy. However, I believe that it is incumbent upon us to remind all Manitobans, especially those who are not directly involved in this industry, of our agrifood sector's important contribution. In doing so, I believe we should revisit some statistics about this industry's vital role in Manitoba's economy. One in nine jobs in the province was the result of agriculture production with approximately 60,000 persons directly and indirectly being employed in agriculture. Agriculture, directly or indirectly, accounted for about one-fifth of the total added value for the goods producing sector in the province. The food and beverage industry alone produced close to \$2-billion worth of goods and services, accounting for almost one-quarter of Manitoba's total manufacturing output.

In recent years agriculture, direct and indirect, contribution of Manitoba's GDP ranged from 10 percent to 12 percent. Almost 25,000 farm family units form the backbone of our province's agriculture and food industry. In many respects the preservation and strengthening of family farms in Manitoba is critical to the viability and prosperity of this important sector to our province's economy. Although farmers make up less than 3 percent of Manitoba's population, they have a major economic impact on the province far beyond the proportion of their numbers. In effect, viable and prosperous family farms are essential not only for Manitoba's agrifood sector but also for our province's

overall economy. Consequently, we must build on the strength of our province's agrifood industry and family farms for the long-term benefit of all Manitobans.

As in the past, I would like to briefly comment on the farm income situation in our province. In 1996, farm cash receipts in Manitoba were estimated at \$2.79 billion, the highest on record in current dollars. Receipts from crop productions rose by some 15.7 percent to a record of \$1.63 billion, mainly because of increased prices for almost all crops, more than offsetting the decreased marketings of flax seed, sunflower seed, lentils and dried peas in 1996. There was a 17.1 percent increase in livestock receipts to a new record of \$1.6 billion. Lower program payments such as GRIP and crop insurance resulted in a 54.8 percent decrease in direct payments to Manitoba producers, which dropped from \$104 million in 1995 to some \$47 million in 1996.

To a major extent, the future of our province's agrifood industry is dependent on world trends. The shift towards a more liberalized global trading environment represents a major opportunity for Manitoba's agrifood industry to expand its exports. Our Manitoba agrifood sector and our farmers can compete within a level playing field, global marketplace, free of significant trade distortions imposed by foreign governments.

Our industry processors and producers will be able to significantly seize opportunities within a new and expanded world market based on our competitive advantages. Some of these advantages involve our high-quality agricultural products, our relatively low costs of production, the reliability of our supply, our high level of farm technology, our competitive tax regime, a strong and modern infrastructure, reasonable land costs and our strict, high standards involving both the quality and the safety of our food.

According to World Bank estimates, Asia will account for one-half of the growth in world trade between now and the end of the century. The real income per capita are set to double in the Asian tiger nations. There is every indication that several millions of Asians with increased spending power will spend a part of their growing wealth on purchasing imported goods, including food and food products. Many of the

economically booming Asian countries have limited agricultural resources and will be unable to increase output significantly to satisfy their domestic demand. Some of these nations will simply be forced to increase imports of livestock products and feed grains, as well as processed food products.

Recently I participated in a trade mission to officially launch the Manitoba Pork Advantage in Asia. We used this opportunity to promote the forthcoming Canada-Taiwan Business Association convention scheduled to be held here in Manitoba in the latter part of this year. I am happy to report that this trade mission increased awareness of major Asian players about Manitoba's Pork Advantage. Of note, the Asian pork industry is increasingly finding it difficult to expand its operations, in large part due to the local environmental concerns, limited feed supplies and rising production costs.

The mission was structured around seminars at several locations. These seminars attracted the attention of major Pacific Rim players who are actively investigating the benefits of the Manitoba pork industry. During the trade mission, I found the possibilities for increasing our agrifood exports to be very encouraging. I gained a deeper awareness of the critical importance of listening to our overseas customers. By doing so, I especially became increasingly attentive to the fact that different nations with different cultures have different preferences. We must tailor-fit our agriculture products to satisfy their preferences; otherwise, they simply will buy their agrifood products from elsewhere.

The long-term future of Manitoba's agrifood industry will be greatly impacted by the new economic realities of grain transportation reforms. The combined impact of the WGTA and the Canadian Wheat Board pooling reforms will be far greater on Manitoba producers than for other western Canadian farmers. New economic realities imposed by the WGTA and the Canadian Wheat Board pooling reforms will require Manitoba's agrifood industry to accelerate in making major adjustments towards greater diversification, value-added activity, as well as finding and developing new markets.

Grain transportation reforms will drive our province's agrifood industry towards a long-term change—change

with emphasis on high-value, low-volume crops, forage production particularly on more marginal crop production land, and less on low-value, high-volume crops for export, towards greater emphasis on livestock production and value-added production.

The provincial government and Manitoba Agriculture are committed towards working with the agrifood industry in making these adjustments.

On January 17, 1996, the Manitoba government announced the creation of the Working for Value rural task force to find ways of increasing the value of Manitoba's exports. This major task force was asked to hear from rural Manitobans about how to increase Manitoba's exports by \$1 billion within the decade. The Working for Value task force held some 26 public forum meetings across rural Manitoba. These meetings involved public input from community members including producers, commodity groups, businesses and local leaders.

Our government task force of MLAs chaired by my colleague Jack Penner and co-chaired by Mervin Tweed and Frank Pitura asked the local community participants for their thoughts and suggestions on how to add value to their community resources and primary products. The task force interim report was released in Brandon on April 19 at Rural Forum 96. In the not too distant future the task force will be submitting its final report to our government.

The Province of Manitoba is committed to using the task force report as a major foundation in formulating its future policy decisions affecting agriculture in rural Manitoba and all its communities.

In recent months we have heard optimistic news about greater diversification and expanded value-added activity in our province. During November of 1996, Isobord Enterprises incorporated confirmed its plans to proceed with the construction of a plant that will generate several hundred new jobs. This plant will be the first large-scale operation in the world to transform cereal straw into a strong moisture resistant composite board using a patented process.

The particle board will be environmentally friendly, formaldehyde free and from a highly renewable resource. The plant will produce composite board mostly for export markets. More recently, Prairie Flour Mills started construction of a facility to grind Manitoba wheat. This occasion marks the first time in 40 years that a new flour mill will open in our province.

The Isobord and flour mill projects are just a few examples of encouraging initiatives involving new or expanded processing plants in Manitoba. Other initiatives involved the expansion of the McCain food potato processing plant in Portage la Prairie, the new hog processing plant by J.M. Schneider Inc. for Winnipeg, the food processing complex, including a canola crushing facility by Canadian Agra Corporation at Ste. Agathe and the expansion of the Carberry potato processing plant by Midwest Food Products.

These projects involving new and expanded processing plants have been launched by the agrifood private sector. However, staff from the Manitoba Agriculture, Industry, Trade and Tourism, the Rural Development and Economic Development Board have worked very hard on a number of these new undertakings.

For example, our respective departments assisted a number of agrifood manufacturers in laying the groundwork for making some of these new expanded plants possible. Manitoba Agriculture staff were involved in such activities as conducting feasibility studies, reviewing infrastructure requirements and assessing supply needs of manufacturers. Many of the new expanded processing plants will certainly help our agrifood sector in making necessary adjustments to accommodate to the post-WGTA and Canadian Wheat Board pooling era

It should also be emphasized that there are many smaller but no less important projects involving fruit, vegetable, baking and other industries. Many of these new and expanded processing facilities are particularly welcome given our province's agrifood industries need to adjust towards greater diversification and value-added activity.

I want to share with members some encouraging news concerning the increase of livestock numbers in

Manitoba and the associated opportunities for a greater diversification and adding value within our province. With hogs, Stats Canada estimated that there were 1.94 million hogs on Manitoba farms as of January 1997, an all-time record high. In 1996, Manitoba produced over three million slaughter hogs. With our province's expanding hog processing capacity we expect our hog production to reach over four million head by the year 2000.

With respect to beef cattle, Manitoba was one of two major cattle-producing provinces to increase its beef cow herd in 1996, a surprising result when you consider the difficulties the cattle industry has undergone for the last several years. Cattle numbers as of January 1997 reached 1.3 million head, a record high for this time of the year. There is a considerable capacity for our cattle production to undergo further expansion especially for increased backgrounding of beef cattle here in Manitoba.

In the long term, grain transportation reforms will give our producers relatively lower feed costs combined with abundant feed supplies contributing to our province's competitive advantage in cattle production.

The Manitoba Pork Advantage is an initiative recently undertaken by our department in partnership with industry. This undertaking was launched to support the growth in production, processing and export market development of our provincial pork industry. This innovative initiative with industry partnership focuses on increasing provincial pig production beyond 4 million by the year 2000.

The Manitoba Pork Advantage highlights Manitoba's strengths, its large land base capable of supporting an expanded pork industry, skilled producers, a marketing system that is responsive to market signals, one of the lowest feed costs in North America, a quality product that meets market demand and a collaborative and close working relationship between the pork industry and government.

The inaugural launch of the Manitoba Pork Advantage in our province took place in Winnipeg on November 19, 1996. Over 500 Manitoba pork industry partners and potential investors from a broad spectrum of Manitoba's business community supported this major event.

Earlier, the government of Manitoba was pleased to announce a \$3.4-million provincial funding commitment to an agrifood research and development initiative or ARDI in this year's budget. This new initiative will help to facilitate growth and adaptation in Manitoba's agricultural sector. The agrifood research and development initiative will enhance the agrifood industry's ability to adapt within the changing global marketing environment. ARDI will focus on diversification, value-added production, processing and exporting higher value products from Manitoba. This new initiative will assist Manitoba's agricultural sector to maintain its comparative advantage relative to other provinces which have already established research and development support programs.

ARDI is made possible through the use of safety net dollars available for a companion program for industry development purposes. It is expected that federal dollars will be added to Manitoba's planned financial commitment. In addition, ARDI funds will be highly levered by matching financial support available outside of government, including agribusiness associations, institutions, local organizations and commodity groups. In particular, commodity associations using checkoffs under the revised Agricultural Producers' Organization Funding Act will be able to partner with the province to ensure cost-effective development and applied research which meets their identified needs.

In January of this year, I was pleased to launch Manitoba Agriculture's new home page on the Internet. This new website is now available to all computer users with Internet access. Our new Manitoba Agriculture website provides marketing and technical information on a wide range of our province's agrifood products. Much of our Internet site information was designed to be of value to exporters and investors outside our province, both domestic and international as well as to our province's producers. Computer users can now find on our home page such information as an overview on the importance of Manitoba's agriculture and food sector, opportunities for buying Manitoba's various excellent agrifood products, technical information on diverse commodities and diversification in added-value investment opportunities.

Our new Internet site was developed and is now maintained by Manitoba Agriculture with funding



assistance through the Manitoba Farm Business Management Council. We have tried to make our home page user friendly, practical, accurate, timely and relevant. In the months ahead, we will be expanding our Internet site with more and updated information in response to the constantly changing needs of our agrifood clients, who are our customers. The home page familiarizes users with the organizations of Manitoba Agriculture, the Manitoba Agricultural Credit Corporation, the Manitoba Crop Insurance Corporation.

Our new website was also designed to be useful to Manitobans who want to explore the broad range of our department's programs and services. By doing so, many people in our agrifood industry will be able to systematically review what programs are out there, what benefits are available to them and who in our department they can contact for more information about a particular program or service. Our new home page will be kept current and will focus on meeting the information needs of people within the agrifood industry.

At this time I would like to comment briefly on some other recent initiatives involving our department. Manitoba Agriculture is pleased to be a supporting partner in the growing Manitoba campaign recently launched in Winnipeg and in Brandon. Through newspaper advertisements, radio and billboards, urban Manitobans will be more aware of our agriculture food industry's impact on our overall economy, our quality of life and its environment.

Growing in Manitoba is an industry-driven communication program managed by the Agri-Food Network, a nonprofit agency. Partners in Growing in Manitoba include the Canada-Manitoba Agreement on Agricultural Sustainability, a joint federal-provincial government initiative, Manitoba producers and consumers, environmental and private industry organizations. Growing in Manitoba is just one example of Manitoba Agriculture's work with our many partners to promote and educate the public about our important agrifood industry.

\* (1450)

Other significant endeavours include the Manitoba Food Processors Association with their Manitoba-made

thrust and Agriculture in the Classroom, Manitoba, which focuses on the school system. Our role is to facilitate and to assist in the co-ordination amongst partnership groups such as these to support them through our staff activities and where feasible with financial support from programs such as CMAAS, the Canada-Manitoba Agreement on Agricultural Sustainability.

I think you will agree that Manitoba's agrifood sector has a good-news story to tell about its diversity and potential for the future economic growth of our province.

For 1997, Manitoba's producers will be eligible to receive improved crop insurance coverage. More specifically, for the year of crop insurance coverage, dollar value for all crops has been set at 100 percent of the projected market price. Previously, the values were set at 85 percent of the market price. The 100 percent market price projections will result in an increase in dollar coverage for most crops.

Members opposite will be well aware that we have moved to bring the elk farming opportunities to Manitoba. We are doing so in a controlled and a highly regulated manner that will allow this province to take advantage of the diversification opportunities that already exist for elk farmers in Alberta and Saskatchewan. This is not the first time this activity has been tried in Manitoba and the unlevel playing field, the left, from the early attempts in the mid-'80s has created some challenges.

Speculation about what was or was not happening has raised unfounded concerns that the industry has had to deal with over the past couple of months. I am pleased to confirm, as I have previously stated, that there was no wholesale capture of up to 900 wild elk leading up to the start of our industry. Elk declared as of February 14, 1997, were raised under a permit from Natural Resources, were held under rights established for the First Nations or were purchased at fair market value. We now look forward to moving ahead with this exciting new industry opportunity.

The Canada-Manitoba Agreement on Agricultural Sustainability or CMAAS, signed on June 4, 1993, will deliver some \$19.2 millions of equally shared

provincial and federal programming over the period from 1994 to 1997, this being then the last year of that agreement.

The intent of the program is to enhance productivity and diversification of agriculture in a manner that is consistent with protection of the soil, water and air resources. Approximately \$15.6 millions have been expended to date under this program. Manitoba Agriculture proposes to allocate a further \$1.3 million to programming in '97-98 with the emphasis on activities in high-priority areas, including crop diversification, manure management, integrated pest management, precision farming, and water quality.

Provincial co-ordinated program area work teams are focusing activities into these priority areas. On-farm activities are being delivered by some 80 local delivery groups and producer and commodity associations. CMASS funding has developed, demonstrated and fostered the adoption of a wide range of improved and sustainable agricultural management practices, including the following examples: zero tillage production practices, including equipment, pest control and crop diversification; manure management practices, including lagoon covering, application based on soil and manure analysis, improved application equipment and techniques; forage production, including improved forage, legume and grass varieties; pest control and market opportunities in the United States; effective pest control through integrated pest management practices, pest incidence forecasting, and biocontrol of weeds; preparing area restoration and management practices on more than 60 sites along various water courses within the province.

A number of local delivery groups were nominated for awards at the recent Sustainable Development Awards of Excellence Program banquet. These groups were involved in a wide range of activities funded by CMASS and in support of sustainable agricultural practices.

Manitoba Agriculture's '97-98 budgeted expenditure represents a balance in serving the needs of Manitoba's farmers and the agrifood industry with the scope of fiscal restraint. The total budget expenditures for Manitoba Agriculture in '97-98 is approximately \$97.7 million. This figure represents a total increase of

approximately \$1.2 million or approximately 1.3 percent more than the '96-97 voted Estimates of \$96.5 million. Although our department budget represents a slight increase, nevertheless during our budget preparation process we made every effort to eliminate overhead and duplication as well as to review alternative delivery and management approaches. Our department's 1997-98 requested budget includes some estimated spending shifts. For example, our new proposed budget now includes \$3.4 million for the new Agri-food Research and Development Initiative. Our allocation for the Net Income Stabilization Account or NISA has been increased by approximately \$3.2 million, mostly to address an increase in eligible net sales under this program.

This concludes my introduction of Manitoba Agriculture's 1997-98 Estimates. I now look forward to reviewing them comprehensively with members of this committee.

**Mr. Chairperson:** We thank the minister for those comments. Does the official opposition critic, the honourable member for Swan River (Ms. Wowchuk), have any opening comments?

**Ms. Rosann Wowchuk (Swan River):** Mr. Chairman, I would like to take this opportunity to also put a few words on the record about the agriculture industry in Manitoba, and I want to thank the minister for his detailed outline of the importance of this industry to this province which is very important. Although only a small number of the total population of this province participates in the agriculture industry or the actual production of food, the spin-off industry with respect to processing food, and the production of equipment and various other aspects make us realize that the agriculture industry does have a tremendous effect.

Although only about 3 percent of the population participates in the agriculture industry, a much larger proportion of the provincial economy, close to some 10 percent to 15 percent, impacts on the actual economy of the province.

I have to say that, as the minister indicates, agriculture income is at a record high this year. I think we have to look at what is actually happening down on

the farm. When we look at increased costs that farmers are paying, the bottom line, in many cases, has not increased as much as the actual income. When we look at higher fertilizer costs, higher chemical costs, all input costs seeing a great increase, the bottom line for farmers is not as great as we would like to see it.

These are the people who work at the grassroots, who do the majority of the work, but in actual fact their return is not as great as it should be over the last couple of years. Over the last year we did see, we were very fortunate to see grain prices up somewhat. We had some income for farmers from the payout from the federal government with the end of the Crow money, and that had an impact on the economy of the farming community, but as that money dries up, there will be no more money coming out of the Crow money.

\* (1500)

With the price of grain going down, I worry about what will happen to the bottom line of the farm income. Of course we are seeing farmers are very diverse people, and if they cannot make money from growing grain, they are going to diversify into other products. We have seen a great diversification and moving towards more livestock production, more hog production, and farmers will always meet the challenge of what the market demands. As they have in the past, they will continue to do that.

The minister talked about the increase in the number of hogs in this province, and that of course again is related to demands and the markets that are now opening up in the Asian countries. I look forward to the continued success of those markets and a good return for the producers in this province, but the bottom line is the minister talked an awful lot about value-added, and we do have to move in that direction. We have to look at ways, whatever way that we can get our product to market, to get it there, but we have to also remember that not all countries want to buy processed food. There are those countries who are going to want to buy our grain, whether it be wheat or oats or barley, in its natural state because they want the value-added jobs as well. The challenge is ours, will be Canada's challenge and this province's challenge, as to how we can continue to get that grain to those markets.

As we see the railways, the federal government having deregulated the transportation system and changed the transportation act, that becomes a bigger and bigger challenge, and we saw yesterday what was the Canadian Wheat Board taking a stand on an issue that has been on all of our minds and that is our ability as producers to get our grain to market. It is unfortunate now that the railways have reneged on that responsibility and chosen to move other products more quickly than they have been moving grain, and the farmers being the ones who are bearing the brunt of the cost of all of the demurrage that we see piling up because these ships are having to wait at port because the grain does not get there quickly enough.

So those are the kinds of challenges that are facing people in the farming community, that are facing the Manitoba government and us as representatives of rural communities as to how we can ensure that those people who are the grassroots producers of a product are the ones that gain the greatest amount of benefit from the market, and that they get a fair return for the product that they are producing.

As the minister indicated, it is a very important industry to this province, and the agriculture industry is very important to the rural communities. If the farming community does not do well, the rural communities do not do well, and soon you see people leaving the farm, and every time a family leaves the farm there is a negative impact on the community, whether it be to the schools, to the hospital or to the businesses of the community.

It is important that we remember who this Department of Agriculture is working for, really the people who are at the grassroots. It is those people that build the foundation for all of the markets that the minister talks about. We have to be sure that we have a healthy agriculture community at the grassroots. From there we will grow to meet the markets that are out there. But certainly those markets that are being developed right now are very, very important and play an important role in the changing agriculture society and the changing rural community that we have right now.

The minister talked about funding for agriculture research. We were very pleased to see the

announcement that was made that there would be additional funds made through the announcement in the budget for agriculture research. I believe that we have to do much, much more of that. I think Manitoba has fallen behind in research in comparison to other provinces. It is very worthwhile to put that money into research. We will look forward to having further discussion with the minister as to how that money will be allocated, and what type of research the minister is proposing or how it will be distributed.

Certainly we were interested in the announcement of Isobord, and looking for an additional use for straw product rather than having it just burnt and causing a problem to urban members as we saw over the last year. We will look forward to having discussions as to what the return will be for producers on that and what the time line is to see the board into production and what kind of return we will see on that.

The minister also talked about the—[interjection]

**An Honourable Member:** How about this growing hemp here? Where is that at?

**Ms. Wowchuk:** The Minister of Justice just indicated that he is interested in where the hemp industry is. That is another issue that I will be raising with the Minister of Agriculture. We both had the opportunity to attend a conference in Vancouver earlier this year. Certainly there is a tremendous amount of interest in hemp production. When we talk about other fibres, we talk about ways that we can use straw for producing—Isobord. There is also a tremendous interest in additional fibre that can be produced from hemp. We look forward to discussing with the minister where the testing is on that product in this market.

The move by this government to move towards elk ranching has certainly been a challenging initiative on the part of the government and one that has not been positively received by all members of the community. Certainly we have even heard the Elk Growers' Association be critical of the way the minister introduced the regulations for elk ranching. There are other hunting association groups who have been critical as well. Of course, there have been people throughout the province who feel that the government could have handled it differently. If the government wanted to

have elk ranching, they could have done it without actually capturing elk from the wild. The minister himself indicated that there are many elk in captivity right now and elk available in other provinces.

I think that is one of the issues that we have to look at, whether or not it was actually necessary to capture elk from the wild or whether it could have been, if the minister was so insistent on starting the industry, how else it could have been done and whether or not government should have looked at ways of dealing with the problem of large numbers of elk in other ways such as has been recommended by people in the community and by aboriginal people.

I know this falls more into the Department of Natural Resources as to how we should have addressed that particular problem, but certainly we look forward to seeing the corrections to the regulations that the minister may have made and also to seeing how the elk will be dispersed, who will qualify to get them, what the minister's intentions are there.

We look at the revenue side of the budget, and this government certainly anticipates that they will have high revenues from the result of the sale of these animals, but along with starting an industry we have to also ensure that we sustain our natural resources, and we do not put too much pressure on the resources as we build this industry.

We have had discussions with the minister on the Wheat Board, and members on the government side of the House have stated in the past their views, that we should be moving to an open-market system or a dual-market system. I was very pleased with the results of the barley vote to see that when the producers were asked for their views, they spoke very clearly, and the majority of them said that they wanted the single-desk selling and barley to stay under the Wheat Board. Now, those who are anti-Wheat Board, we hear them saying, oh, but it is not all of us. There are still 36 percent, I believe it was, who voted against the Wheat Board.

So you have to wonder where people are coming from on one side when you have a government that gets 46 percent of the vote or somewhere around 40 percent of the vote. They are still considered the majority and

are allowed to govern the province as a majority, which they should be, but then when people do not get their way on things like the barley vote, then they can say, oh, but 36 percent of the people voted against it, so that is not a clear majority. My feeling is you cannot have it both ways. If the public and democracy says that the majority, whatever it is, can govern, then the majority should be a majority when it comes to a vote such as this.

\* (1510)

I think that the Wheat Board plays a very important role. There are challenges that are still facing the Wheat Board with Bill C-72, I believe that is the bill number, changes that will be put forward under that bill that caused some concern. I know the minister's comments have been that the recommendations do not go far enough. In our view, some of those recommendations, if implemented, will weaken the Wheat Board, and I believe that that will not be in the best interest of the producers of this province.

The minister talked about growing Manitoba, and certainly we have to do much more to promote our product. Other provinces do that. We have to be proud of what we produce in this province and encourage local people in the province to understand what we are producing and encourage local use. That would be one of the keys in having the agriculture industry grow.

The minister talks about agriculture in the classroom, and I think that is a very good program, but I think that we have to do much more work, and the Department of Agriculture has to do more to work with the Department of Education to ensure that children in the classroom are learning about the agriculture industry in this province.

I want to say that I think we have made positive steps with farm safety. We have much more to do there. Agriculture is considered to be one of the most high-risk industries in the country, lots of accidents, and you can understand why that is happening. When couples are working together, many times children are put into a situation where they should not be close to equipment, and that is something that has to be addressed, but I think that the government made a very good step when they brought in the legislation that

would improve the lighting on farm equipment and improve the safety of all people who are travelling, farmers when they are moving equipment at a very busy time of the year and sometimes not nearly as careful as they should be and the general public. An accident that took place in southern Manitoba a few years ago certainly spells out what can happen when equipment is not properly lit.

So with those few comments, I want to say that I am prepared to debate the Estimates and raise issues with the minister. I want to say that, again, this is a very important industry. We have to look at expanding our horizons to world trade, but we also have to look at how we can offer better services for people who are at the grassroots and the ones who are actually doing the production.

We have to look at ways to ensure that this is a sustainable industry, that the resources that we are using—the soil, the water, the communities that we live in—are there for our children and our grandchildren, for those who choose to continue to play this very important role, and that is the production of food for not only Manitobans but for many people in the world.

**Mr. Chairperson:** We thank the critic from the official opposition for those remarks. I would remind honourable members that the committee that debates on the Minister's Salary, item 1.(a) is deferred until all other items in the Estimates of this department are passed. At this time we invite the minister's staff to take their place in the Chamber.

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

**Mr. Enns:** Yes, I certainly am. At my immediate left my deputy minister, Mr. Don Zasada; assistant deputy minister, Les Baseraba, with the Regional Agricultural Services Division; Mr. Craig Lee, who is the assistant deputy minister with respect to Policy and Economics Division; and Mr. Marvin Richter who manages the financial matters within the Department of Agriculture.

Mr. Chairman, allow me to put on the record that I consider it an extreme privilege to be working with the men and women that make up the Department of Agriculture. We are, and certainly I am, cognizant of

the fact that because of the financial restraint program that my government has imposed on the public services, the service generally, that they, like all other public servants in Manitoba, have not been provided with incremental pay increases during this period of restraint. I have the greatest of respect for the dedication for the work that they have undertaken during this past year, the enthusiasm with which they continue to serve our clients, our farmers, at a time when agriculture is facing a tremendous number of changes and challenges. I attribute a great deal to the success that Manitoba producers and the Manitoba agrifood industry generally have had in this past year to the dedication and services of the staff of the Department of Agriculture.

**Mr. Chairperson:** The item before the committee is item 1. Administration and Finance (b) Executive Support (1) Salaries and Employee Benefits \$422,100—pass; (2) Other Expenditures \$68,300—pass.

**Ms. Wowchuk:** I have not got the same book here that you have. The section I want to stop on, if you would, is Technological Services.

**Mr. Chairperson:** All right, that is (d).

**Ms. Wowchuk:** Thank you.

**Mr. Chairperson:** (3) Policy Studies \$71,200—pass.

1.(c) Financial and Administrative Services \$773,100—pass; (2) Other Expenditures \$489,400—pass.

1.(d) Information Technology Services (1) Salaries and Employees and Benefits.

**Ms. Wowchuk:** When the minister made his opening comments he indicated that the government had done a lot of work on improving technological services with computers. Can the minister indicate if there has been additional monies spent on computer services to hook up all the offices, the Ag offices, to a central, or whether that it had been necessary to spend funds there or what kind of improvements to technology services have been made over this year in the Department of Agriculture.

**Mr. Enns:** Mr. Chairman, we certainly can not say that we have fully completed the integration of computer services throughout out various scattered offices, agricultural offices throughout the province. What we are under, as you can imagine, in the process of bringing about greater computer capacity throughout the department—the additional dollars that are represented in different parts of these estimates reflect that. We have some particular challenges, particularly in our two major corporations like the Crop Insurance Corporation and the Manitoba Agricultural Credit Corporation. A very specific demand needs some urgency to bring our computer capacity and technology fully up to speed in these areas and probably would be the priority areas within the department prior to having them expended throughout the general service of our extension staff.

\* (1520)

**Ms. Wowchuk:** Can the minister indicate—he talked about on-line services that are available. Are those on-line services available, that is, available to everybody? I am looking at how this service is available to the different Ag offices, whether that has resulted in additional expenses that have had to be expended to ensure that the various Ag offices and Crop Insurance and Agriculture Credit Corporation profits.

**Mr. Enns:** It was a very pleasant day in Brandon at Manitoba Ag days that we were able to announce Manitoba Agriculture as coming into the information age with our own website and our hookup to the Internet system. We were able to demonstrate the hookup to a group of interested farmers and producers who were in attendance at Ag days in the bull ring arena, the sales ring arena of the Keystone Centre. We hope this will grow.

This provides for those producers, and there are growing numbers of them who are equipped with the kind of computer capacity and technology on their farms that they can access everything that is being put on that website by the Department of Agriculture and that is, in essence, all the services available from the Department of Agriculture and our corporations, our Crop Insurance Corporation, Manitoba Agricultural Credit Corporation.

As well, it is specifically geared, of course, to those who wish to tap into this kind of information from all parts of the world, and the FBM net has been operational since August of 1993. We are tying into a greater circuit that has been developed since 1993. Currently, there are some 640 users registered. Four to 500 use it regularly.

Across Canada, there are over 7,100 users of the farm—what would that FBM stand for? Farm Business Management. Manitoba net users have made over 29,000 calls. Users across Canada have made over 332,000 calls since this project was started in August of 1993. It is driven largely by our farm management group that has hooked this in with the Canada-wide farm management programs, and many of our producers who have been involved in sourcing our farm management specialist services are finding it obviously advantageous to make use of it.

I suspect this is just our new entry into this program, that in the coming years this will become a major source of information, a major resource tool for our producers. It will be of interest to people who wish to know something about Manitoba Agriculture and the agrifood industry. It will be of interest to people who are trying to source food products from Manitoba. It will be of interest to potential investors who wish to invest in value-added primary food products grown here in our province for various food-exporting opportunities in Canada, the United States, or in other parts of the world.

**Ms. Wowchuk:** I can indicate to the minister that I am not very computer literate because I was having a hard time remembering the words of “website” and “Internet.” Is the minister saying that there are about 640 Manitobans that are hooked up to this management service and are using the service here in Manitoba? I guess what I am looking for, is this going to be a way where, when the technology is available, that Manitoba producers will be able to turn on their computer and find out about press releases that the Department of Agriculture has put out, or different forecasts and information? Is that the intent of this, and is it available? Is the minister saying that now approximately 640 farmers in Manitoba are accessing this information?

**Mr. Enns:** Staff advised me that it is 640 Manitobans who are using the system. It need not necessarily be farmers. It could be feedmill operators that are using it to source information on grain prices and feed. It could be others related, one would assume, to the overall agrifood sector that are sourcing it.

Mr. Chairman, I will suggest to my colleague that I, like her, am of that generation; that I will never fully comprehend the magic and the miracle of computers. I will not try to pretend that I am expert in these matters. I am constantly astounded as I visit in different parts of the province just how often when you walk into the office area—it could be part of a kitchen or a separate room—more and more farm families that have sophisticated computer equipment available to them. There are other services that have been on-line for some time throughout Canada, and of course in the private sector. More and more people are sourcing all kinds of agriculture related information through this new medium of communications.

**Ms. Wowchuk:** Some of the people who are most literate in the community and the province are our students. I wonder whether the Department of Agriculture is working with the Department of Education to provide information through the Internet and other services that makes it available to schools such as for, we talked about an education in the classroom program, and whether any steps are being taken by the Department of Agriculture to offer distance education service agriculture courses.

I would like to ask the minister if perhaps this is the section to be asking these questions under, or else is there another section that we should be talking about these kinds of things?

**Mr. Enns:** I am advised that there is another section under Farm Management, a section that we could further expand on this, but allow me to say that I appreciate the support from my opposition colleague with respect to this particular program. I just feel that it is extremely important that, as I indicated in my opening comments and I often indicate on any occasion that I have to speak publicly for and on behalf of the Department of Agriculture, we have become such a highly urbanized society that it is not just a question of providing information about Manitoba agriculture to

our urban cousins, but it is important that they understand the legitimate concerns and requirements of today's agriculture. That gets reflected in society's attitude towards agriculture, and very often, through misinformation or just simply not understanding, agriculture gets pushed into positions that are sometimes difficult or that make it unnecessarily difficult for agriculture to fully develop in the manner and way in which we believe it can. So I will certainly look forward to a greater discussion on this issue at the appropriate section in the Estimates.

**Ms. Wowchuk:** Is the minister indicating then—what I am looking for is, I am wanting to know about some costs about the Internet and this service. Would that be also in the section further down?

**Mr. Enns:** Yes, I can provide her with some cost information. The home page was developed and is currently managed and maintained by Manitoba Agriculture with primary funding assistance through the Canada and Manitoba Farm Business Management Council. This new initiative is part of the national Farm Business Management Program. It is one of the few shared programs that we have with Ag Canada in the Department of Agriculture and is represented there.

\* (1530)

Costs for developing and enhancing and maintaining the Internet home page is approximately \$120,000 over a three-year period. This amount covers the salary for a contract employee as well as site development costs. Manitoba Agriculture provided about \$15,000, as well as administrative costs and support, with the remainder to come from monies provided by the Canada and Manitoba Farm Business Management Council, which is funded by Agriculture and Agri-Food Canada.

So it would appear that this initiative will cost us half of the \$120,000. No? It is \$15,000. That is a modest investment. I like that balance. Mr. Chairman, \$15,000 from Manitoba and \$120,000 from Ottawa. You will note the astuteness with which the Department of Agriculture negotiates with our Ottawa colleagues. Would that some other departments negotiate in the same manner.

**Ms. Wowchuk:** Can the minister indicate if that is \$15,000 annually that Manitoba Agriculture would be

paying? He indicated that it was a contract. Could the minister indicate who provides those services for us?

**Mr. Enns:** That was a one-time cost, a one-time \$15,000 contract price, to get the expertise to set it up. We provided, in addition to that, some office space and auxiliary services, but it is only a one-time cost and is now being operated and run within our Farm Management division or group.

**Mr. Chairperson:** Shall the item pass? The item is accordingly passed. (2) Other Expenditures \$43,800—pass.

(e) Human Resource Management Services (1) Salaries and Employee Benefits \$220,400—pass; (2) Other Expenditures \$41,900—pass.

2. Risk Management and Income Support Programs  
(a) Manitoba Crop Insurance Corporation (1) Administration \$4,458,300.

**Ms. Wowchuk:** Mr. Chairman, I have several questions that I would like to ask with respect to the Manitoba Crop Insurance Corporation. We, last year, had a new program brought in, and it was an Enhanced Crop Insurance. The minister indicated that there has been much better participation in this program versus what we had under the previous programs, and that is partly due to the fact, I believe, that there is 50 percent coverage which has no premiums to it. I wonder if the minister can indicate to this House the number of people who are participating in Crop Insurance, and if we could break down from that what percentage of them are at 50 percent, what are at 70 percent, and what are at 80 percent coverage.

**Mr. Enns:** I am expecting momentarily senior management people from Manitoba Crop Insurance. They will come and join us. That will enable me to provide the honourable member with these figures. I can certainly indicate to her that her preamble was correct, that we are pleased with the increased participation in Crop Insurance generally. I think as my officials settle down, Mr. Neil Hamilton, assistant general manager of Manitoba Crop Insurance and Henry Dribnenky—a good Irish name—that works with senior management of the Crop Insurance Corporation



as well. The question was how that broke down, and I will have that information momentarily.

It may be of interest to the honourable member that a total of 8.2 million acres were insured under the program last year. This figure was comprised of some 7.7 million acres in all-risk crops or 80 percent of Manitoba's acreage. That is an all-time high for the corporation. A question I have asked of the corporation from time to time, and I have not received an answer and because perhaps there is none available, it is questionable whether or not we are not just about insuring all real acres or very close to it. There are, obviously, small acreages scattered throughout the province what you could just about describe, you know, under management of hobby farming, and some crops, although there are only very few that are not covered by Crop Insurance that account for that 20 percent that is uninsured. In other words, I believe that we are very close to providing coverage for all of the significant agricultural acreages that are available for this kind of insurance.

In 1996, this participation level represented a 38 percent increase in all-risk crop acreage, and a 1,400 percent increase in tame hay acreage relative to the 1995 crop year. So there was a very significant acceptance of the program that was developed by Manitoba Crop Insurance, which we refer to as the Enhanced Crop Insurance Program that was offered to our producers in the year '96.

Starting in '97, all western provinces have adopted some version of the Enhanced Crop Insurance and, Mr. Chairman, you know me for the modesty that I normally exhibit and I will continue exhibiting in this Chamber, but the Crop Insurance Program that has been offered to Canadian producers now for some—well, I suppose it had its genesis in the late '50s—'58, '59, '60, when it was started. So it is a program of some 35, 36 years. It is a high-risk business. These gentlemen have to make their best guesstimate as to weather, prices, pests, floods, drought. Unlike some other jurisdictions, and I will not go out of my way to name them, the Manitoba Crop Insurance, the Manitoba producers have been extremely well served by the people that operate our Crop Insurance Corporation.

Perhaps—I say perhaps—I know that perhaps one of the most complimentary things that can be said about the Manitoba Crop Insurance Program is when other jurisdictions take note of what we do and within a very short time, within a year or two incorporate the kinds of changes that we make to our Crop Insurance Program into their crop insurance programs. That is what the note here says, that virtually all western provinces have adopted some version of our Enhanced Crop Insurance Program.

\* (1540)

**Ms. Wowchuk:** Mr. Chairman, I thank the minister for that information and, unless I was not listening accurately, I do not know whether the minister broke it down for us, but he said that there was \$8.2 million insured. I was wondering, what percentage of the people insured their crop at the 50 percent coverage and what percentage of them take the higher coverage, either at 70 or 80 percent?

**Mr. Enns:** Mr. Chairman, yes, I do have some further information in that regard, and it is broken down in three categories of crop types. Cereals and oilseeds, 27 percent of the registered producers have just opted for the 50 percent coverage level; 33 percent for the 70 percent level; and 40 percent for the 80 percent level. In the special crops area, 22 percent have opted for the 50 percent coverage; 26 percent for the 70 percent coverage; and 52 percent for the 80 percent coverage. It is obvious to me that many of the producers who wish to cover their higher input costs in these crop areas are choosing the maximum coverage available to them under this program.

Tame hay is just the reverse; 85 percent have opted for relatively the premium free, you know, 50 percent coverage, although I remind members of the committee that we have introduced a registration charge to get into the program. I believe it is in the order—it is 20 cents an acre, so that is not totally correct to say it is premium free. We consider it premium free. There are obviously administration costs involved in the registering of these acres. What it really is is a cost recovery of these administration costs that we are charging. But in tame hay, 85 percent are in the 50 percent program; 11 percent in the 70 percent program; and only 4 percent in the 80 percent program.

So for an averaging of all the crops, the figures would come out to 27 percent of the policy holders are in the 50 percent category; 32 percent in the 70 percent category; and 41 percent in the 80 percent category.

**Ms. Wowchuk:** Mr. Chairman, I wonder if the minister could indicate whether there is any breakdown across the province, whether there are areas of perhaps in the southern or the northern part of the province who tend to take the 50 percent coverage.

The reason I raise this issue is that I was talking to some people in my constituency. What they were telling me is that the 80 percent coverage is just too expensive for them. They very seldom would end up getting a payout out of it. The yield for their area just does not work out right, and that is another whole issue that perhaps we can discuss. What I am looking for is if the department can see any trends as to which part of the province we are seeing people opt for the 50 percent, and in which part of the province we are seeing the higher coverages.

**Mr. Enns:** Mr. Chairman, I am advised that we do not have a breakdown of the type that the member for Swan River requests. I am reminded that even those who are purchasing the 80 percent coverage are, in effect, getting the first 50 percent premium free. When you net it out, you are looking at paying about 40 percent of that 80 percent coverage. But it is a refinement of data that may be available in the future, but we do not have it available on this occasion.

**Ms. Wowchuk:** I appreciate that it is a new program and there probably have not been any trends set yet. I would request then, if you were looking at trends in the future that we could have some information as to what the payouts are. I guess the higher payouts would be for those that have the higher coverage, but if there could also be some breakdown when you are looking, have more time to look at this information in more detail. That would be something that I would appreciate getting.

I want to go to another area. The minister talked about change. There was a press release, and the minister referred to it in his statement, that we were now moving to 100 percent of coverage of the

projected price and that we were at 85 percent of the projected price. Can the minister explain what that really means? Is it just a shell game with numbers that there is going to be more money? Does it actually mean there is a higher number, and what is this based on?

**Mr. Enns:** Mr. Chairman, the member for Swan River (Ms. Wowchuk) knows how easily I am wounded. To suggest that I engage in shell games, you know, but I will defer from reacting too vociferously to that otherwise serious charge and not to destroy the decorum of this pleasant afternoon as we proceed with these Estimates.

Let me first of all say that the 85 percent or the 100 percent do reflect real dollars, real figures. What happens is that we accept, not just we, but across Canada, the federal government sets at the beginning of the insurance year their best estimate of prices on the various crops and it is on those. Because we are talking about hopefully an actuarially sound insurance program, we have to have fixed costs on which to adjust premium rates to. When those figures come to us from the federal government from Ag Canada as to the appropriate price for wheat, for barley, for oats, whatever is being insured, then that is the payout figure that the program is designed for. The reason that last year the decision was made to pay only 85 percent of that established figure was because a new element has been introduced in the last go-arounds with our federal partners in the insurance.

They have put an absolute cap on the available dollars on our Crop Insurance Program and so it was, with some concern or nervousness if you like, that we wanted to make sure that we stayed within our projected costs, our projected estimates, of that crop year knowing that we could not go beyond a certain figure, could accept additional monies beyond that cap from our senior partner, the federal government, that decision was made to tailor down, quite frankly, our payouts, our benefits to 85 percent of those values. We have, working with the same set of circumstances that cap is still there, but with fine tuning of our numbers, the experience of last year, and some capacity within this range feel confident that we can push that payout to 100 percent of those published figures again.

I want to be careful that I am looking at—my people, these figures do not necessarily reflect the actual price at any given time. This is the figure on which the farmers get paid out, not just in Manitoba but in Saskatchewan and on these commodities throughout Canada. They are established by Ottawa but it is a real difference. Last year, we were paying 85 percent of those figures; this year we will be paying 100 percent. I might say, Mr. Chairman, understandably, that was one of the few areas that the corporation and certainly the department and the government that received some criticism or complaints about that took away from some of the otherwise generally endorsed accepted acceptance of the Enhanced Crop Insurance Program. I am very pleased that I have been able to, first of all, to convince my own treasury to move this figure back up to the 100 percent. I am confident that we will be able to work within the overall costing restraints that this program operates under with our partners in Ottawa.

\* (1550)

(Mr. Mervin Tweed, Acting Chairperson, in the Chair)

**Ms. Wowchuk:** Mr. Chairman, I am just trying to get a little bit of clarification on this, if the minister would be patient. Are we saying then that Manitoba, is this a national program right across the country? It is now at 100 percent, or is Manitoba doing something different than other provinces are and if the minister could compare? Let us take one commodity, for example, let us take wheat and what the payout price was last year compared to what the payout price will be this year, so that I can get a better understanding of what it is we are changing here.

**Mr. Enns:** Mr. Chairman, there is, as we have in Canada always, a factor in transportation costs which makes it not necessarily exactly the same in different parts of the Prairies where these grains are grown and that always has to be factored in but, for instance, to answer a specific question, last year the value that was being paid out on red spring wheat was \$3.62. This year the value is \$4.08. So that is a difference.

I will guess that whether or not—the federal government is not involved in determining whether or not the Manitoba Crop Insurance Corporation will pay

out 85 percent of these values or 90 percent of these values. That is a decision made provincially, and I would suspect in different jurisdictions of Alberta, Saskatchewan and other provinces those respective organizations make similar decisions from time to time. We felt that we needed to be sure that we did not overexpend in the '96 crop year to tab our figure at 85 percent of these values. This year we are doing it at 100 percent.

**Ms. Wowchuk:** So is the minister saying that in 1986, if a person had a claim on wheat, they would have got paid 85 percent of \$3.62, and in 1997, if they have a claim, because it is 100 percent, they will be getting paid \$4.08? Because that would be quite a significant difference if it is 85 percent of \$3.62 versus 100 percent of \$4.08.

**Mr. Enns:** I am advised that these figures that I am quoting, these are our Manitoba Crop Insurance figures, which already include the 15 percent reduction, so these are the actual payout figures that were in effect last year and will be in effect this year.

**Ms. Wowchuk:** And \$4.08 would be the price that Crop Insurance has come up would be anticipated as what Manitoba Crop Insurance thinks that the price of wheat will be for the upcoming year, or where do you get the figure of \$4.08?

**Mr. Enns:** That, you see, is the value that Agriculture Canada, the federal government, that is their best guess, but it is on those figures that we base our premium structure on and on which we will make the payout.

**Ms. Wowchuk:** There are other new programs that have come under Manitoba Crop Insurance, one of them being a program that was announced for an improved program for big-game damage. We have heard briefly about the program and that there would be better compensation for damage from deer and elk to hay and other crops. Can the minister give us detail about these new programs and whether they are in place right now, whether the coverage, for example, big-game damage to hay is at the 100 percent coverage as has been announced, or is it still being paid at the lower rate? I had a call from a constituent not very long ago saying that although he had heard about the

new program, they were not being compensated at the new rate. So can the minister indicate where that new Crop Insurance Program is?

**Mr. Enns:** I am particularly pleased to respond to this question because it affords me the opportunity to once again indicate the leadership role that Manitoba and the Manitoba Crop Insurance Corporation play.

The honourable member for Swan River (Ms. Wowchuk) will be particularly sensitive to the fact that she hears complaints as I hear complaints from farmers in Saskatchewan that do not have similar compensation programs in place that have existed in Manitoba even prior to these changes. It is my understanding that Manitoba is the first jurisdiction in Canada to recognize an important simple fact, that if society as a whole deems it advisable that we have abundant wildlife in our province, and I think all of us concur and share that hope for different reasons. Whether it is abundant waterfowl, ducks and geese, we rejoice when, particularly this time of year, the famous birds make their comeback from wintering in the south, and they do that in big numbers. Fortunately when they do it this time of year they cause no damage. When they come back in the fall on their way south and if there is considerable crop land out—I know there is a considerable amount of crop land out in the Swan River Valley that the honourable member represents—a considerable amount of damage can be done.

In addition, we all enjoy the white-tail deer, the elk, the moose, the bear that we can with some justifiable pride say that we have managed to maintain in our society, that they cohabit with today's agriculture and with today's development.

I personally take some considerable pride and joy in the fact that, having had the privilege of being responsible for Natural Resources, Mr. Chairperson, on a number of occasions in this province, that we have so ordered our affairs, we have provided the necessary habitat, that we have probably more deer and more of our major wildlife resources available to us in our province than existed in this province when a certain gentleman by the name of Cristoforo Colombo first set sail to look at the New World.

\* (1600)

I know that we have a great deal more white-tail deer here. They were only very occasional visitors before the first European agricultural settlement took place on the Prairies. They have actually come and joined us, because they have found out that farmers are pretty good providers in their alfalfa fields and their grain fields. In fact farmers will, from time to time, stack the hay in the round bails all in nice rows so that the elk and the deer can easily access them and not have too much difficulty in finding them.

For us to be able to move and for me to be able to convince my colleagues in my caucus, my cabinet to accept the 100 percent compensation program, it gives me a great deal of pleasure for two different reasons. Unlike those meanspirited socialist friends of mine in Saskatchewan who, when faced with the same challenge, decided to place the burden on another minority group of their citizens, the hunters, they imposed a \$12 I think per licence surcharge as a means to gather the necessary dollars to improve their compensation program.

Now, I do not know what is going to happen if after the federal government really fully comes down with the heavy hand of gun registration whether or not there will be anybody else hunting anyway, and then that program will be underfunded. But in the province of Manitoba I am very pleased to have the opportunity of making this announcement, this policy change, that will provide 100 percent coverage of commercial value of lost and damaged product. That compares to the 70 percent that is provided in Saskatchewan and the lesser of 80 percent of commercial value in Alberta.

So without question, we are leading the nation in providing this kind of support to our agriculture producers who, at different times, are called upon to host some of our wildlife friends, particularly through a difficult winter.

It does have one other great advantage, and many of the persons that I have had the privilege of working with and in contact with in the Department of Natural Resources and the community that they serve, wildlife interests, view this as a great plus in bringing together more harmonious agricultural and wildlife relationships in the field. The farmer looks a little differently at that duck or that goose or that elk or that deer, if he knows

that he is going to get 100 percent compensation for his loss as he did when he was getting no compensation or very little compensation. Then very often the farmer's attitude toward duck or goose was that the only good one was a dead one, and put pressure on governments to control and reduce wildlife populations because of the losses that he and he alone was being asked to suffer.

So this kind of sharing of the costs associated with healthy wildlife populations in our province, I believe, is a real win-win situation for obviously the wildlife, the deer, the elk that are involved, but also for the farmers who, in my opinion, unfairly have been asked to carry some of the burden that is associated with these healthy wildlife populations. So I am delighted that I was able to be the minister involved to make this kind of fundamental step forward in further improvement and further service to the farming community in this regard.

**Ms. Wowchuk:** I am also pleased that there is now a program, as the minister indicated, in my constituency and in other constituencies that border along the Duck and Riding mountains. My colleague, the member for Dauphin (Mr. Struthers), I am sure has the same problems in his constituency. It was a very serious problem and one that came to head last winter when we had the number of elk that were damaging crops in the area, and the minister knows that the people in the Swan River Valley put a tremendous amount of pressure on his government, that if they were going to capture elk, they also had to address this issue. I believe that it was as a result of a lot of pressure that was put on by people in the Swan River Valley that this program finally came about. I am very pleased about that, that there is a proper compensation for big-game damage because I also do not believe that farmers should bear the brunt of having to feed the animals that are there for the pleasure of many other people.

(Mr. Chairperson in the Chair)

It is also a big issue because in the Swan River constituency there is a lot of grain that is left out in the field this winter and a lot of grain that was in the field in September and October that is not on the ground anymore because it has been served to keep a deer and elk population very healthy this winter. So I am sure there will be a lot of claims as a result of that.

Can the minister indicate whether or not, since the federal government plays a role in a share in the cost of the waterfowl damage—I believe the federal government has a share of that. Does the federal government put any money towards this big-game damage program?

**Mr. Enns:** Yes, the federal government is a partner in this program. They have been sharing the costs with respect to the waterfowl and bird depredation program for a number of years, but they were not participants in the big-game damage. That has always been up until now a full provincial responsibility. I am pleased that the federal government has joined us. We are using some of the available safety net dollars as a relatively minor companion program adjustment to our overall program so that now that the federal government will be sharing at the 50 percent level of the first 80 percent cost of the big-game program as well as the waterfowl program. The federal government would not proceed to the 100 percent, so the decision to go to the 100 percent is entirely one made by the province and the costs of topping up the 80 percent to the 20 percent in both programs, the waterfowl program and the big-game program, is the sole responsibility of the province.

**Ms. Wowchuk:** Can the minister indicate what the application process is and whether or not it is a requirement that a person who makes a claim for big-game damage also be enrolled in Crop Insurance?

**Mr. Enns:** No, you do not have to be enrolled in the Crop Insurance Program to avail yourself to the coverage and the support of either of these programs.

**Ms. Wowchuk:** For those people who are enrolled in crop insurance, can the minister indicate whether consideration has been given that their losses that they face because of wildlife damage or waterfowl damage not be taken into consideration into their crop averages, or does the damage that is sustained from waterfowl or big-game damage end up driving down their production average?

**Mr. Enns:** My staff advises that yes we do take into account against the individual's productivity figures, these losses when they occur by wildlife. It is, I think, justifiable on the basis that if it is a recurring situation that these are, just like different soil zones play a role in

coverage and in premium setting, there is a factor of farming in that particular area under those circumstances that makes it an action that for purely sound, actuarial reasons the Crop Insurance Corporation feels they must undertake.

\* (1610)

**Ms. Wowchuk:** Can the minister perhaps explain, because that would seem unfair, because the person who is not carrying crop insurance would get compensation because he or she has had losses, but the person who has had crop insurance and suffers the same losses will have their averages driven down. So can the minister explain whether there is a different level of coverage for somebody who does not have crop insurance versus somebody who has crop insurance?

**Mr. Enns:** Mr. Chairman, let me undertake to provide the honourable member with a more detailed explanation for the rationale that the corporation employs. I appreciate that if one views it a certain way, a sense that there is a difference—I am being given an explanation that I do not fully comprehend right now. I will ask Mr. Hamilton to take pen to hand and provide the honourable member with a full answer. I know that is an issue particularly in an area like the Swan River Valley.

The question of fairness between a party that receives compensation, although he is not a Crop Insurance customer, and the Crop Insurance customer who also suffers wildlife damage, I am going to challenge staff to give us a one-pager on that one, that perhaps before the course of these Estimates move too much ahead, we will be able to provide you with. Thank you.

**Ms. Wowchuk:** Thank you very much. I appreciate the minister making that effort to provide that information. Another issue of compensation is one that has been raised by Manitoba Cattle Producers, that is, the loss of livestock to wildlife. I understand that there has been consideration after many requests from cattle producers across the province to have this issue addressed. I wonder if the minister could fill us in on the details of what that program will be and when it will be available, whether or not it is going to be an insurance program that cattle producers are going to have to buy, or

whether it is going to be a compensation program for losses.

**Mr. Enns:** It was certainly the intention of the department and myself that when we challenged ourselves to provide this expanded coverage for wildlife loss, we meant to be as inclusive as possible. We are even looking at, again, not a big ticket item, but occasionally bears cause damage. Leafcutter bee operations, we have had a modest program, I believe, out of Natural Resources when bears do damage to our beekeepers—or is that also carried here with a corporation? For some reason, they can and have caused destructive damage to leafcutter bee operators who have their little buildings and facilities out there. Sometimes they are laced with sugar as they have to feed the bees, and that attracts our friendly bears from time to time to disrupt those operations.

We are in the stage of negotiations reviewing the issue that the honourable member raises with respect to the cattlemen's concern about the loss of animals to wolves, to bears. It is a more complicated issue in the sense that all too often, and I know that the honourable member has a background with cattle, as I do, the situation where the cattle person comes upon an animal that he has lost, some time after the loss has occurred very often in the fall when cattle are being rounded up and he is missing a cow or missing a few yearlings and comes upon, you know, comes upon skeletal remains, pretty good evidence maybe that the particular wildlife prevalent in the area, that it could have been caused by wildlife, but it is a little difficult to determine with some reasonable accuracy.

I have challenged this. I met with the executive of the Manitoba Cattle Producers, and I asked them to assist us in working out a protocol that would be acceptable under which terms these kinds of losses would be compensable, you know, whether or not the involvement of veterinarians would be called for to determine cause of death, or whether we can tackle those that are simply not, upon which no judgment can be made.

There is also a little issue, I think there is a willingness on the part of Ottawa to look at the program. We are putting it forward as a shareable program, would like to have Ottawa share the program

with us. If we had, it would likely be only up to the 80 percent figure. Understandably, with the figures that I showed you before of compensation that was being paid in other jurisdictions which range anywhere from 65, 70, 80 percent, Ottawa is not willing to be paying a jurisdiction more than they share in any other jurisdictions. I can understand their reasons for their limitation, but we are pursuing discussions with Ottawa officials to hopefully be able to present a program that will offer similar coverage of loss from wildlife to cattle producers in the province of Manitoba.

**Ms. Wowchuk:** Mr. Chairman, so the minister is saying then that the program is still in design stages. No program has been announced, and we probably do not anticipate one this year. Can the minister indicate whether that again would be an insurance, if they are looking at an insurance program that the people could buy insurance, or would it be similar to the program that we have now for wildlife damage to hay and waterfowl damage? A clarification there, please.

**Mr. Enns:** This is viewed as a straight wildlife compensation program. We utilize the services of the Manitoba Crop Insurance Corporation who are in the business of compensating, and even that decision—it is understandable that when we are dealing with crops or with material that the Manitoba Crop Insurance Corporation is familiar with, wheat, grains, hay, products that they supervise, and their people are often called out to assess the scale of damage—30 percent, 50 percent—it is natural to the Crop Insurance to be administrators of that program.

The program that we are now talking about may well be administered through the Wildlife branch of the Department of Natural Resources. But to answer your question directly, it is not considered in the form of an insurance program or cattle producers would be asked to provide some kind of a, you know, insurance program before they would be eligible, again, the rationale being that the same as we are paying out, as I just answered a little while ago, crop losses to an uninsured farmer, the same rationale applies to a cattle producer who has the misfortune of losing animals as a result of wildlife depredation.

\* (1620)

**Ms. Wowchuk:** Mr. Chairman, I just want to revert to this 100 percent coverage that we were talking about a few minutes ago. The minister said it used to be 85 percent of the projected price of 1996, and now it is up to 100 percent coverage. Can the minister go back and give a little bit of history on that? In the past, has it been 100 percent? Did it go to 85 percent only last year because of the cap on the federal funding, or has it traditionally been 100 percent in the past?

**Mr. Enns:** Mr. Chairman, the member asks an interesting question, and I will, in preparing that other question that I kind of took as notice. I think it would be of interest to me and to her to go back a few years to see what has, in fact, been the practice. I am advised that the year prior to that we were at 100 percent.

Now, there are different methodologies that come into play also, as well. We are now paying on a firmer price than we are today. We went to the 85 percent because of the federal government's unilateral capping their contribution. My authorization from my Treasury Board is to participate in a program with the federal government providing that we maintain a spending proportion, 60-40 I believe it is, of the total program. With Ottawa putting a fixed cap on it, I did not have authority to spend beyond that. So to ensure that we stayed within that program, we self-imposed, if you like, that restriction on us by making the payout 85.

I am advised that in the early '80 years, when grain prices were high, this was not a precedent-setting move, that percentage of payout whether it is 100 percent or 80 or 75, has been evoked on different occasions for different reasons. It might be interesting to ask the Crop Insurance to simply go back 10, 15 years and see what in fact the practice was.

**Ms. Wowchuk:** Mr. Chairman, I may have asked this before, and I am not quite understanding the minister. Has it raised to the 100 percent because the federal government has raised their cap and there will be more money coming from the federal government, or because the provincial government has decided to put more money into it?

**Mr. Enns:** Neither of those two is really the case. The federal government has put an absolute cap on their

overall contribution to safety net programs. I believe it is set at \$600 million across the country. That is what is available from Ottawa for all provinces. That is a sizeable reduction. Previous to that, I think, it was in the order of \$680 million—it was as high as \$850 million was Ottawa's contribution to the various safety net programs, of which Crop Insurance and NISA are the major programs. In addition to that, they did not have a cap. You have to understand these are client-driven programs. If the take-up is higher, then provincial share rises, but as well, Ottawa's share rises.

We were in agreement that we would share these costs on a 60-40 basis. That was the case up until the last, or the next to last Paul Martin budget of the Liberal government. My Agriculture critic from the Liberal Party here in Manitoba has not been diligently doing his share on behalf of Manitoba farmers and allowed the then federal finance minister to put an absolute cap on the federal government's contribution, and not just at the cap at which the program dollars were being spent but at a very sizeable reduction.

As my associate deputy minister indicates, it was up to at some point \$815-million federal contribution. This cap was imposed at \$600 million. From that \$600 million, Manitoba's share is roughly speaking about \$85 million, and out of that we have to get our share for the federal government's participation in the Crop Insurance Program. Our share for the federal government's participation in the NISA program, out of that came our share when we had the program, although it is no longer is with us, the sugar beet tripartite support programs.

What we have experienced though, we took a major portion of dollars available to us to enhance the Crop Insurance Program last year, I believe some \$18 million in that order, matched by Ottawa. That still left us with some additional dollars, and those dollars are the ones that give us a comfort level that we can now go to the 100 percent.

The federal government did not change, did not add any additional dollars in it. It is not quite fair to say that neither did the province. We are both saying that we are confident that we can live within the cap, and we are both maintaining the same level percentage-wise of our contribution.

**Ms. Wowchuk:** I am well aware of the impacts on agriculture because of cutbacks by the federal Liberal government. Certainly the farmers are well aware that there has been a tremendous reduction both in agriculture support and agriculture research. We will take every opportunity to remind them about that.

Mr. Chairman, what I am wanting again to ask about people who talked about crop insurance saying that they are only taking the 50 percent coverage, because they are not happy with the numbers. They do not want to pay the higher amount of money, because they do not think it will be a return for them. Is it possible for a person who is at 50 percent coverage to build up his average? Are the individual numbers taken into consideration so that the person can build up where their return will be more favourable, for then they would be more interested in taking the better insurance? What they are telling me now is that with the numbers where they are, it does not pay to get the coverage. Does the individual average still come into play even when they are at the 50 percent coverage? Is there an opportunity for them to build up their average?

**Mr. Enns:** Mr. Chairman, I wonder if you want to take note of that great event that took place in the capital city of our country, namely, Toronto. They recently rescinded the ban on smoking in that fair city. Would you consider asking the House to consider lifting the ban on smoking in this Chamber for the duration of the Agriculture Estimates so that you and I could conduct this in a civil fashion?

**An Honourable Member:** Five-minute break.

\* (1630)

**Mr. Enns:** Well, I will let the Chair ponder that while I answer the honourable member's question. The answer is yes; you can increase your productivity even at the 50 percent level.

**Mr. Chairperson:** Is there a willingness of the committee to allow the minister to have a five-minute break? [agreed]

*The committee recessed at 4:31 p.m.*



**After Recess**

*The committee resumed at 4:37 p.m.*

**Mr. Chairperson:** Will the committee come to order.

**Ms. Wowchuk:** Oh, was I asking? I thought the minister was going to answer.

**Mr. Enns:** The specific question before I offered the diversion was whether or not it was possible for somebody in the 50 percent program to improve his individual productivity figures. Yes, staff indicates that is quite possible.

**Ms. Wowchuk:** Mr. Chairman, one of the areas that used to come under Crop Insurance was the GRIP program, which is no longer in existence; however, there are very substantial surpluses both on the federal side and the provincial side of GRIP. I understand that there is some money that has to be retained to be held in trust until outstanding issues have been addressed.

Can the minister indicate how soon he expects those to be resolved, whether there are court cases that are being—that there are funds being held for? The other question is, we have raised several times with the minister that we think that the surplus money from GRIP should be channelled into farm programs rather than into general revenue, and I have stated many times that I believe that the surplus from GRIP should be put into agriculture research, an area where we are desperately lagging behind other provinces. So I would ask the minister if he could indicate to us whether any consideration has been to put the surpluses from GRIP into agriculture research and whether he has, in any way, lobbied the federal government to try to keep the surplus of Manitoba's funds that the federal government has, in Manitoba for agriculture purposes.

**Mr. Enns:** Mr. Chairman, allow me once again—I know that I have done this on other occasions—to acknowledge the very substantive support program that the GRIP program represented to our grain producers at a time when they sorely needed it. As I recall, that program paid out in excess of \$800 million to grain producers. Well, my ever-alert senior staff, always wanting to make sure that their minister stays within the confines of “just the facts, ma'am, just the facts,

ma'am,” and not exaggerate, says the actual figure is \$778 million, a very, very significant sum of money of support that obviously maintained a number of our producers through a difficult period of time. I appreciate the fact that that same period of time saw too many farm foreclosures; nonetheless, one can only imagine how many more there would have been if my colleague the now Minister of Highways and Transportation had not introduced that program in 1990, I believe it was.

\* (1640)

It took a lot of negotiations to bring the federal government and the other provinces together on that program, and that program was announced initially as a five-year program. It had a sunset clause to it which we ourselves imposed on the program, but it did provide these very significant benefits to the farm economy in Manitoba and, indeed, in other provinces. Again, let me say that the program was designed in Manitoba. Now that Saskatchewan is out and Alberta is out and we are out and we can sit back and do kind of a posthumous review of the program, we find, and I think it is not false modesty, that we can again acknowledge that we probably offered the best of this program to our Manitoba farmers in terms of benefits paid out, in terms of the program living up to its expectations. Mr. Chairman, I can attest to that. I still have producers reminding me that some of them would like to see that program ongoing and carrying on.

Also, you know, the program probably made its biggest contribution to the Manitoba scene in the very difficult cropping year of '93, where we had weather, disease. It was a year that we really had our first serious experience with fusarium, the tombstone disease, as it was quickly dubbed in the popular term, where the program went into a very serious deficit, upwards to 160 millions of dollars, 170 millions of dollars in deficit position at the end of the year.

Remembering that the conditions of the program were that when the program concluded, the senior partners would have to pick up any deficit in the proportionate share of contributions. Quite frankly, it looked to me as a pretty sure bet that I would have to be going to my Treasury, as the federal government minister would have to go to his Treasury, to find some additional millions of dollars before we exited that

program. All these things were starkly imbued in my memory, because that was the year that I came back to Agriculture, in '93, to that kind of a welcoming scene on the landscape.

Fortunately, as it happens in prairie agriculture, the years that followed we were able to recover through better crop production, better prices, the deficit situation of that program. We ended the program with—as the member is well aware, she refers to them—very substantial surpluses that were in place as we exited the program.

Our conditions of the program called for returning the producers' share to the producers. I am advised that in the month of February, just a month or two ago or a month and a half ago, some \$15.8 million were returned to Manitoba producers as their share of the GRIP surplus. That represented 75 percent of the producers' share of the surpluses.

The honourable member is correct when she indicates that we have retained 25 percent of the producers' share of the surplus to have in reserve for possible use should there be some liabilities that will be attached to the program. I can advise the honourable member that we have two principal concerns. One is an outstanding issue of perhaps owing some interest to lentil producers who, the honourable member will recall, successfully pursued the corporation or the program with respect to payments in that crop area. We are in court at present with respect to a significant sum of possible interest that is in dispute, and should the courts decide against the corporation, then these monies would be applied to cover those costs.

The other outstanding issue that is—it is not fair to say before the courts, but it is in process; there is a possibility. I think it is prudent on the part of the corporation that they also make contingency plans for what may develop in that case, as a fairly major challenge from one risk area, Risk Area 12, the Red River corridor group that continues to feel that they have a case to be made that should improve their payout, and I have no observations to make about the case. It would be imprudent for me to do so because they, that is the group representing that area, have retained legal counsel as has the corporation, and it is

an issue that is continuing to be under review, and I cannot offer any further information about that.

With respect to the federal government's sizable share of the surplus—you know I appreciate that there is—I think we confuse different pools of money. When we hear of Saskatchewan, for instance, getting significant pools of money for research and development or diversification and development programs, I am led to understand that money is really coming from what used to be the federal government's share of the GRIP premium; just as we, for instance, took up some of our slack in our overall safety net dollars available to us to use a significant portion to enhance our basic crop insurance. We are advised in no uncertain terms that the federal share of the surplus automatically returns to the federal Treasury, and my Treasury is imposing the same conditions with respect to the provincial share of the surplus.

I do not mind putting on the record that I would, of course, have liked to have had use or retention of some of those dollars or all of those dollars or a portion of those dollars for additional and expanded agricultural programs. Certainly, the Research and Development program is one that rapidly comes to mind. I am pleased, nonetheless, that along with my capable deputy minister and I, we were able to garner for Research and Development the \$3.4 million that are in the Estimates currently before us. It is my hope that we can build on those with a matching federal contribution and perhaps from other sources so that the Research and Development Fund can grow significantly.

**Ms. Wowchuk:** Mr. Chairman, in light of the fact that Manitoba has some of the greatest adjustments to make because of the changes to the Crow and the pooling, Manitoba farmers bear the biggest brunt of that, did the minister make any attempt to try to convince Ottawa that their share of the federal money, which is the surplus of GRIP, should remain in Manitoba for ongoing adaptation?

\* (1650)

**Mr. Enns:** Mr. Chairman, Manitoba made every effort, and I want to acknowledge the support that I received from virtually all farm organizations. We pooled together a coalition of farm interests which included

Manitoba Pool and various commodity organizations to press as hard as possible for a more generous sharing of those compensation or those dollars that were made available at the time the Crow was withdrawn. We argued vehemently that, for the very reason that the honourable member mentions, because the hurt, the impact, is greatest on Manitoba and to a similar extent to eastern Saskatchewan that we deserve, you know, significantly higher proportion of that billion, six-hundred-million dollar payout, if you like, that the federal government offered as they exited the Crow program.

We offered the same arguments with respect to the St. Lawrence pooling formula which also is a pool of money that is coming back to producers to offset some of the changes in these programs, but we were unsuccessful. The federal government was adamant. The claim was that historically there were many years that Manitoba was the recipient, on the receiving end in terms of benefits from the Crow, although that was not true in the latter years. We argued that was not relevant. The issue was, who was going to be hurt most as a result of the removal of the Crow? It clearly was Manitoba, but the arguments fell on deaf ears. I have not been able to use that same argument with respect to the surpluses before us. The position of the federal government is that they are treating us no differently than they have treated other jurisdictions, and they are pretty adamant with respect to that position.

**Ms. Wowchuk:** Another program that is run under this part of the department is the NISA program, and it has long been argued that as a safety net NISA helps only those do not need it. In fact, the majority of funds in NISA accounts tend to be held by a very small number of people, and there are many people in Manitoba who actually do not participate or have accounts of less than \$2,000. Can the minister indicate whether he has any concern about this program, which is supposed to be a safety net program for all producers but tends to be helping those who need the help the least and farmers who are struggling are not able to take advantage of the NISA program?

**Mr. Enns:** This program has features to it that have to be understood by the producers that it is in their interests to enroll. It is true that it is scaled to the size

of the operation, that the larger operators are proportionately able to put more money into this stabilization program than the small producers, but it is just equally important for the small producer to get into the program, stay in the program and contribute to the program. Within a relatively few short years, it is, for the scale of that operation, a very worthwhile stabilization program.

I am pleased to report that over the years there has been a different participation level. It hovers around the 18,000 to 17,000 number of people that are enrolled in the program; and, as is pointed out to me by staff, in the last year or two we have had relatively good years and you would expect, and there should be, minimum withdrawal from the program.

In the last year, in '95, of the \$21 million that were put into the program, some \$10 million were withdrawn, leaving a net base of somewhat in excess of \$10 million. I have a lot of belief in this program. It is a program that exerts a fair degree of self-discipline on the part of the individual producer, and it is a program that could stand the individual farms in good stead during a year or two of rough sledding. I share that particularly with the knowledge that those years of the very substantial billion-dollar, ad-hoc payout programs in times of stress, times of drought and times like that, are likely not going to be seen again. I do not foresee the mood and willingness on the part of the federal government. I do not see the capacity on the part of provincial governments to provide these kinds of ad hoc but very expensive programs that the farm communities experienced in the past. So it is just good management on the part of our producers to avail themselves of this program.

**Ms. Wowchuk:** Can the minister tell us of the number of producers who are participating, and I am not sure if he indicated the number of producers—[interjection]—Pardon me, 18,000? What percentage of those producers would have \$2,000 or less in their accounts? Does the minister have that information available? I guess what we are looking at is, is this program really helping the people that really need it? The minister indicates it is a good program, and it is a good program, if you have the money to put in it, but if you have not got the money or your banker is waiting

for the money, it is pretty difficult to put the money into the program, even though there is government money to match it. So I am looking for some information as to who is actually benefiting from it and what percentage of the participants have a very low account of, say, \$2,000 or less.

**Mr. Enns:** Mr. Chair, one thing should be evident to all of us. It does not matter whether it is this program or other programs like GRIP basic crop insurance. Small producers get small benefits; bigger producers get bigger benefits. It is not an acreage proportionate basis; it is simply a question of scale. We have a graph here that shows that about 4 percent, 645 producers, would fall in that category of \$2,000 and less. I am advised that, within the category of \$2 to \$2,000, about 21 percent of the producers fall into that category. I must say, and the honourable member will recall, in my opening statements, we kind of referred to having 25,000—

**Mr. Chairperson:** Order, please. The hour being 5 p.m., time for private members' hour. Committee rise.

Call in the Speaker.

\* (1700)

## IN SESSION

### PRIVATE MEMBERS' BUSINESS

**Madam Speaker:** The hour being 5 p.m. and time for private members' business.

#### Second Readings—Public Bills

#### Bill 200—The Legislative Assembly Amendment Act

**Mr. Steve Ashton (Opposition House Leader):** I move, seconded by the Leader of the Opposition (Mr. Doer), that Bill 200, The Legislative Assembly Amendment Act (Loi modifiant la Loi sur l'Assemblée législative), be now read a second time and referred to a committee of this House.

**Motion agreed to.**

**Mr. Ashton:** Madam Speaker, I am very pleased to be able to introduce this bill today although I must indicate if members opposite wish to put it to a vote on an expedited basis, I would certainly accommodate that as well because I do not think we need to have much more debate on this particular concept. I say that because to be quite frank I do not believe it is anymore a question of if we are going to have an elected Speaker in this House. It is simply a question of when. The real question involves when the government, and particularly the Premier (Mr. Filmon) who I think is the one remaining stumbling blocks to having this bill passed, and the remaining question is when the Premier will recognize, when we talk about an elected Speaker, is one of the most significant components of parliamentary reform that we have seen in our national House of Commons, in a majority of Canadian provinces, the British House of Commons. It is a wave, that is sweeping across parliaments and Legislatures throughout this county. The question is when the Premier of this province will bring us into the 1990s and recognize that it is absolutely right and fair to have an elected Speaker.

I want to go back to the roots of why we feel this is important, and this, by the way, is not the first we have introduced this particular bill. I want to stress that because even though what happened in this Legislature the last part of the session last year, the unprecedented circumstances in which we saw fundamental rules of this Legislature, the entire parliamentary process broke, in fact, a minimum of 18 breaches in that period of time. I want to say what I find absolutely incredible is that we moved this two years ago. I believe, Madam Speaker, I am absolutely fundamentally confident that if we had had this type of legislation in place in the last session, we would never have seen the circumstances that arose.

I want to stress, Madam Speaker, some of the historic background of this, because I think people have to reflect on why we are no longer in a balance situation when it comes to the appointment of the presiding officer of this Chamber, and why we need this bill so desperately. There was a time in this House when Speakers were appointed, yes, by the government but through consultation with members of the opposition. I want to say that it was not particularly this government that broke that precedent. There were

disputes in the 1980s over the appointment of Speakers, but there was a balance that existed prior to that.

I thought it was unfortunate in the 1980s when that occurred and it left the particular Speaker at the time, who I thought did a very credible job in the situation of entering without the support of members—and this time the Conservative party in opposition. They did not even extend the courtesy we extended. When we were not consulted about the appointment of the current Speaker in 1995, but when the Leader of the Opposition (Mr. Doer) extended the courtesy on behalf of our caucus to support that nomination and to give the incumbent Speaker a chance, the opportunity. So there is a history and I believe that balance that was lost in the 1980s was fundamentally broken in the 1990s, and particularly 1996, in the last session. What was the response of the Premier. Well, when he was asked about whether there would be an elected Speaker recently, what was his public comment? He said, “Well, we might get around to it. We might do it after the next election.” But, you know, the opposition has to understand that it does not appoint Speakers. Only the government appoints Speakers in this province. Well, that may be technically true, but is the misstatement of what was the common practice in this house before. That is the background.

The balance has been lost and if there can be any doubt, Madam Speaker, I think you have to reflect on some of the other balance that has been lost in this House.

There was a time, and I recall a circumstance—the member for Lakeside (Mr. Enns) will recall this as well a few years ago—when a previous Speaker had one of his rulings not sustained by the government. I believe the member for Lakeside was not in his chair at that particular point in time. He was in the Chamber, but he was conveniently not in his chair and sent a message to that Speaker. You know, I remember at that time there was speculation as to whether the Speaker would resign because of lack of support from the House. Very interesting, because I think that would have been going far too far. I do not think not surviving a vote of sustaining the Chair, to my mind, requires a Speaker to resign.

I remember the time when it would have been unheard of for a Speaker to continue in the Chair

without the full support of all opposition parties—unheard of. I think that is something that has been fundamentally lost, because we have now even seen a situation where the incumbent Speaker of this House has been subjected to more motions of censure than any Speaker in Manitoba history. I think that is absolutely regrettable.

I think we have to face some of the background or face the circumstances we saw last year. We can continue in this House as we did on Thursday and Friday debating repeatedly issues related to the question of whether the Speaker is unbiased and the Speaker is competent in terms of rulings. Those are obviously two important facets of any Speaker. We found ourselves on Thursday dealing with another matter of privilege; in fact, on Friday, another point of order, another vote. We are still going to be waiting for the matter of privilege to come back.

But, you know, there is a better way. There is a way out of this mess. I want to stress to members opposite that this is indeed a mess. I do not think it benefits anyone in this House when there is not full confidence of all members of the Legislature in the presiding officer. I want to go one step further, because it is not just us that it is talking about.

I do not know if members opposite are aware of this, but I had more comments in November, December—I still get comments to this day—about the functioning of this Legislature than I have had probably combined the previous 15 years I have been able to serve in this House. I have had people at grocery stores ask me, what about what the Speaker did, what about what happened? I get letters, and people talk about it. It is amazing. It has become something that the public is aware of.

I say to members opposite that what happened the last session became a symbol of their arrogance and their lack of respect for democracy for many Manitobans. If they do not realize that, I would suggest they go and they talk to anyone including many of the Conservatives that approached us. I have been approached by Conservatives expressing their understanding of why we were frustrated and expressing their support for an elected Speaker.

So what has happened is there is not only a lack of confidence in this House in the lack of unbiased rulings in this House and approach in this House, it is something that is shared by the public. [interjection] Well, if the members opposite doubt that, they doubt how important Manitobans see the survival in a very real base of democracy in this House, I have got a suggestion. Ask 100 Manitobans how many of them think it makes more sense to have an elected Speaker than to have one appointed by one person, the Premier, of this province. Ask them if they think it is fair.

\* (1710)

Madam Speaker, they do not think it is fair. You take any organization where you have a Chair in place, the vast majority of organizations, they elect the Chair. I do not know of very many organizations where one person can unilaterally appoint the Chair. I want to state that that is really significant, because in this case, we are dealing with the Speaker who has essentially the judicial role in terms of enforcing not only our rules but the laws of parliament. We have to recognize that the Speaker is probably one of the most important positions in this province. The Speaker has the role of being the representative of this Chamber to the general public.

Madam Speaker, there is a way out of the situation we are in. It is simply to recognize that what is happening in other provinces can happen here. Yesterday the Alberta Legislature sat for the first time since the election. What was the first thing they did? They elected a Speaker. It is interesting because my understanding is that the Speaker that was elected was not exactly on the best of terms with the Premier, I believe had been dismissed from the cabinet. It is rather interesting because, you know, that made no difference in the selection process. In that province, in Alberta, it did not make any difference whether the Speaker was supported by the Premier. It made a difference whether the Speaker had the confidence of the House. Incidentally, if one looks at the party breakdown, that also included a significant number of government members. I put it to members opposite, what do they have to lose by moving to an elected Speaker like they have in Alberta?

By the way, they have in Saskatchewan. The Speaker in Saskatchewan has gone to communities throughout

Saskatchewan and has gone to school groups and community groups and explained the role of the Legislature, an elected Speaker. Ontario has an elected Speaker as well. The House of Commons. I mean, I can identify province after province after province that has an elected Speaker. By the way, I point to Ontario because it is very interesting, they have an elected Speaker. They are just dealing with a situation, probably akin to what we went through with MTS last session, 12,000 amendments. What is interesting, one of them actually passed. You did not see any effort on the part of the Chair there to say, well, the government will not like this. You did not see the Chair in that province unilaterally deciding to ram through the 12,000 amendments. I believe that is because when you have an elected Speaker, you have a Speaker that is fundamentally committed to serving all members of the Legislature.

Madam Speaker, as I said earlier, there are two roads ahead on this particular matter. One is that we can continue to argue over matters of order and privilege related to the role of the Speaker. The other, though, is quite simple. I understand, particularly when it comes to this Premier whose arrogance recently has probably reached a new height—I thought it had gotten to the ultimate level last session, but this is someone who is starting to think that Conservatives in this province have some divine right to govern. He said the other day, you remember that, about, oh, he thinks they are going to be in government a long time. The opposition is going to be—

**An Honourable Member:** That is what Brian Mulroney used to say.

**Mr. Ashton:** Well, Brian Mulroney used to say it. By the way, Brian Mulroney had the biggest margin in Canadian history, but that is okay. I mean, any government that starts talking like that—I mentioned this on Friday about what Sterling Lyon used to say—he used to talk about all of us in this House, especially who were on the government side, being temporary, temporary government. That is fine. But that is the road that we have ahead. We can keep the current situation. On a daily basis it is going to remind people of the arrogance of this Premier, because I believe fundamentally, Madam Speaker, the reason we do not have a resolution on this matter is one person, one

person with a rather big title and rather small mentality, because I have heard his comments, and he seems to want to—he is on a personal vendetta against members of the opposition.

I know he was hurt on what happened in the last session of the Legislature with MTS because he knows that he was wrong. He was not supported by the people of Manitoba, but just to make the point with us, oh, no; yes, we may get around to having an elected Speaker sometime, but he wants to punish members of the opposition first by preventing this matter from being dealt with. What a narrow-minded agenda.

You know, I look at a premier who has been in office for more than nine years, and I say where is the statesperson? Where is the person that is supposed to represent the best interests of all Manitobans? Is there not a time just once when the Premier can get out of the political—well, I was going to use the term “gutter,”—but, well maybe I will use the term. I do not believe it is unparliamentary. But instead of thinking about a narrow-minded agenda which is simply concerned with frustrating members of the opposition, why does the Premier not recognize that even he can understand that it is time? We are going to have an elected Speaker in this province. Instead of waiting until after the election, why not start now so we get the benefits in this Manitoba Legislature beginning on this session, beginning today, because we can start the passage of this bill now? That is the one route.

The other route is—and I want to say this to the Tories who keep talking about getting into another century. I always find that funny because when I think of Tories and getting into other centuries, it is usually the 19th Century and not the 21st Century. You know, our selection of Speakers in this province is a 19th Century anachronism. The way of the 20th Century and the 21st Century is to reform our democratic processes to increase democracy. The way to do that in this particular case is to elect our Speaker.

I say to members opposite, you can go the one route of a narrow-minded approach, you can go the route of trying to punish the opposition, but I say to you, you only punish yourself. Because so long as you allow bills such as Bill 200 to remain on the Order Paper, so long as you do not support it, so long as you do not

bring in an elected Speaker, what you really do is demonstrate on a daily basis that the reason we are in this situation is because this is an increasingly arrogant and out-of-touch government that has absolutely no concept of democracy.

I say, you have two choices. One is, obviously, I believe, the most politically damaging course for you, but you know quite frankly, I think it is in the best interest of all Manitobans, and particularly those of us who are in this Legislature want to see this function be a forum for democracy, not a part-time but a full-time democracy. The only way to assure that, Madam Speaker, is to assure that this bill is passed and we have an elected Speaker in this House.

**Mr. Gary Doer (Leader of the Opposition):** Madam Speaker, I would like to join, as a seconder of this bill, in supporting Bill 200. Yesterday, as the member for Thompson (Mr. Ashton) pointed out, Alberta had, as its first act of business, the election of a Speaker that was conducted—

**An Honourable Member:** A Kowalski.

**Mr. Doer:** A Conservative Kowalski—conducted by all members of the Alberta Legislature by secret ballot. The Premier's choice, King Ralph, was not elected the Speaker of the Legislature. After three ballots, and a secret ballot, Ken Kowalski was the successful candidate, and he has now the credibility to be the presiding officer on behalf of the members of the Alberta Legislature because he has been selected by a secret ballot vote, by a vote of his peers, all elected members of the Legislature.

Now, Madam Speaker, the results are not released. The only thing that is released is when somebody is last one on the ballot. Of course, this is very consistent with the bill that we have presented to this Legislature, because there is and there are other examples to move into the 21st Century of having an elected Speaker. This bill was proposed by the New Democratic caucus two years ago. It was not proposed as a result of decisions we did not agree with with the Speaker although, with the mounting evidence of decisions that have taken place in this Legislature, we think it is not only the sensible thing to do but the honourable thing to

do and proceed to an elected Speaker forthwith by the passage of this bill.

\* (1720)

We are the only province in western Canada that does not elect a Speaker. We are the last holdout of a patronage appointment made by the Premier of this province. The Speaker is shaking her head, curious, but B.C., Saskatchewan, Alberta elect the Speaker. The House of Commons elects the Speaker. The U.K. elects the Speaker. The mother, as they say, of all Parliaments elects the Speaker by all members of the U.K. Apparently in the last election in the United Kingdom, John Major's choice was not selected as the Speaker. Betty Boothroyd, a Labour party representative, was; Betty Boothroyd, person that some of us have met in the past, was elected by her peers in the House of Commons in Parliament in England. So this bill makes a lot of sense.

Why is the provincial government, the Tory government saying no to this bill? Why are we living in the past? Why are we living with an antidemocratic system of selecting a Speaker on the basis of the say-so of one individual, the Premier (Mr. Filmon) of this province?

Now the Premier is now saying that we are going to go to an elected Speaker after the next provincial election campaign. Well, that is the first thing that he has got right in this Legislature in the last while, because we will bring in an elected Speaker position in legislation after the last election campaign and we will be proud to do so.

We will go across all 57 constituencies, pointing out our positive alternative to have an elected Speaker and the arrogance of members opposite who practised a system of closure through the Speaker in the last session of the Legislature, that according to all independent people, all independent people commenting on what happened in the Legislature, the Tories threw out the Rules book and the Speaker threw out the Rules book in this Legislature and denied the precedence of a hundred years of parliamentary procedure and democracy in this Legislature.

Perhaps the Minister of Education (Mrs. McIntosh) will be called to order by a presiding officer. Perhaps

it would be in order for the Minister of Education to stop being rude in this Chamber. Perhaps the Minister of Education can be called to order by a Speaker and stop being rude while somebody is trying to speak on a matter of—

**Madam Speaker:** Order, please.

**Hon. Linda McIntosh (Minister of Education and Training):** Point of order, Madam Speaker.

#### Point of Order

**Mrs. McIntosh:** I was answering a question called over to me from the opposition benches. Perhaps the Leader of the Opposition could ask his members to stop asking me questions while he is speaking.

**Mr. Doer:** On the same point of order, yes, Madam Speaker, I was speaking for a couple of minutes and the Minister of Education was in a tirade. She has just admitted that she spoke out of order, and I would ask you to call her to order so that I could proceed with the discussion of this bill. I would ask you to call all members of this House to order, especially the government members, who continue to harangue in this House and not allow us to debate the merits of this bill.

**Madam Speaker:** Order, please. On the point of order raised by the honourable Minister of Education (Mrs. McIntosh), the honourable member does not have a point of order.

\* \* \*

**Mr. Doer:** Thank you very much. Every independent person, every independent analyst last year said that this Speaker, this presiding officer, this government caucus, this Executive Council group of people threw out a hundred years of history, and they think it is funny today to deny the democratic rights of all members of this Legislature on an equal basis.

Over a hundred years of history were thrown out by members opposite. Now, you would think a Speaker, a presiding officer that had a number of independent experts comment, person after person after person, that the Speaker herself had thrown out the Rules book and had denied the democratic rights of all members of the



Legislature, would have resigned on an issue of honour. It is the only honourable thing to do. But honour does not play any part of this Legislature anymore. You would think a person who is the presiding officer, that no longer has the credibility of two other parties in the Legislature, that does not have the credibility of any other member on the opposition side would do the honourable thing and resign so that we can move forward into the 21st Century.

But instead we see a Premier hanging onto the past and a Speaker hanging onto the position, and honour and democracy play no part of this Legislature, and I say it is a shameful, shameful set of events that we have before us in this Chamber. The opposition should not have to move motions or censure. The opposition should not have to move motions of nonconfidence. The opposition should not have to resort to those kinds of democratic methods, but we should have honour restored to this Legislature.

The only way we believe that honour can be restored to this Legislature is to have us turn the page and pass Bill 200. If it is a good idea after the election campaign, why is it not a good idea after this Legislature has suffered the most criticism that it has ever endured for decisions that have been made by the presiding officer and the Speaker in this Chamber?

Madam Speaker, we believe that some members of this Chamber, no matter what their political party, have the temperament, the intellect, the experience, the ability, the personality to be in the Chair. Not every one of us, by the way, has those skills and characteristics necessary, and we believe the best people to decide that are our peers through an elected secret ballot. I have been informed that in the House of Commons, again in the last election for the Speaker, the Prime Minister's choice was again not chosen by the members of Parliament, and after five or six ballots the people themselves, the members themselves, chose somebody that has the intellect, the personality, the knowledge, the temperament that is necessary to be the presiding officer.

I suggest that probably the same process took place in Alberta yesterday, and that is the great advantage of this legislation to go to an elected Speaker, because it is not merely a position that is doled out by the Premier

of the day, doled out in the way that other perks and prerequisites are doled out by a government of the day. It is a position that has the credibility of all members through that election to that office.

So, Madam Speaker, we are urging all members of this Legislature to move into the 21st Century, to put patronage appointments to the past and put democratically elected positions into the future. We can pass this law. We can pass this law today, and we can get on with electing a Speaker tomorrow. What a wonderful way to talk and act like we are moving into the 21st Century. I think Manitoba has led the nation in democracy through their parliamentary institutions, and, just as we have led the nation in the past, we have to catch up to the nation today on the issue of the presiding officer.

We strongly recommend that all members opposite vote with their conscience, vote with their intellect, vote with their true sense of principle. Do not be told by the member for Tuxedo (Mr. Filmon) how to vote on this motion. Do not be told by the party Whips and the party bosses across the way to vote against this. Vote for the future. Vote for an elected Speaker. Vote for restoring integrity and honour to the Chair. Let us vote with Bill 200. Thank you very much.

\* (1730)

**Mr. Conrad Santos (Broadway):** Any occupant of the Speaker's Chair whose appointment has been obtained by the selection of the head of the ruling government will find it difficult to serve the ruling government or to serve all the members of the Legislature. No man can serve two masters, for either he will hate the one or love the other or else he will hold to the one and despise the other.

The proposition I would like to establish, Madam Speaker, is that any occupant of the office who obtained the office by nonpartisan process of election will be expected to be more impartial, more independent and more protective of all the rights of all the members. The present practice traditionally established is political and partisan. The first task of any premier or any leader of any political party who has been elected as the majority party is the selection of who shall be in cabinet, the cabinet formation.

Inevitably there will be some aspirants who will be frustrated because they were not selected, and as a consolation prize the leader of the ruling government will usually make the offer of the Speakership to the disappointed aspirant for a cabinet post.

This has happened already, provincially and federally. When Mackenzie King was Prime Minister, in the first cabinet that he formed there was a person named Rudolphe Lemieux who was disappointed about not being placed in cabinet, and the Prime Minister offered the position of a Speakership, and Lemieux accepted, but it was a reluctant acceptance. He was really aspiring for a position of influence and power as a cabinet member. And being a Speaker does not mean that you have given up the ambition. The Speaker will still have the hope that someday in the future he might be selected a member of the cabinet. For this reason he would be beholden to the leader of the majority party. The Speaker will do the bidding of the government and how can you expect such a Speaker to be impartial? How can you expect such a Speaker to be unbiased when that burning ambition is still in the heart of the Speaker who is not really wanting to be a Speaker but wanting to be a cabinet member?

If this is the case, then we have something to analyze, as we have analyzed in the past. Those who have been reluctantly brought into the Chair as a Speaker will perform in a manner that is unbiased because they still have that desire to be a cabinet minister, and they have no desire to learn the technical rules of procedure or parliamentary law. It is just a stepping stone to another objective and goal in their political career. Therefore, their tenure will be short, and they will not be able to have the time to learn all the procedural rules and all the parliamentary rules necessary, as well as the attitudinal disposition of the mind to be an impartial arbiter in any House of the Legislature.

This being the case, they will make rulings that will not be sanctioned by precedence because they do not know any better. They have no time to decide, nor inclination to learn the procedural rule. That is not their ambition. As a result, there will be appeals from the rulings of the Chair and appeals will mostly be by people in the opposition party. If this is the case, the Speaker is placed in a position of antagonism now with the rest of the legislative members, and if you are in a

such a position, how can you be impartial or continue to be impartial despite the fact if you decide to be impartial? It is indeed a tribute to the greatest Speakers of the past that despite this faulty selection process, some of them had risen above the level of politics and have become greater Speakers and among such Speakers as Speaker Lemieux of the House of Commons. He had indeed served three times as a Speaker, even beyond, because he finally appreciated the fact that this is a very important position, a very important function in the tradition of parliamentary democracy in this country and everywhere else.

This is the argument that I am presenting, a partisan selection leads to partisan performance as a Speaker; and a partisan performance by very definition cannot be impartial. A nonpartisan selection will lead to nonpartisan performance, and an nonpartisan performance by definition will be an impartial performance. If impartial performance is there, then the Speaker had achieved greater honour, greater respect, greater prestige, greater legitimacy as the holder of that August position, the Speakership of the House. Therefore, any Speaker who is selected by the electoral process of all the members of the Legislature will have more prestige, more honour, more legitimacy, than the one who is at the fingertip of the Leader of the government.

If such be the case, then all the members should appreciate the fact that this reasoning had already achieved its influence not only in the matter of parliament in the United Kingdom and all the rest of the commonwealth like Australia and New Zealand, even in this country the House of Commons has had elected Speakers. Not only the House of Commons, the major provinces in this country had already achieved such an advance from the past to depart from the appointed Speaker to the elected Speaker. Ontario, BC, Alberta, all these are leaders. Manitoba—what are we doing here?

**Mr. Ashton:** Buying time.

**Mr. Santos:** Time for ideas cannot be stopped, as the member for Thompson (Mr. Ashton) has stated. It is not a question of whether or not. It is a question of when we shall go to the elected Speaker. If I were the Premier, I would want to have the honour of having

changed this old traditional partisan practice into an impartial kind of system by agreeing to an elected Speaker and passing this Bill 200.

How else can you justify an elected Speaker when the outcome is what we have experienced in the most recent past? I really find myself sympathetic to the occupant of the Chair, because she cannot do otherwise. This is a difficult position to be placed in. It is like having two wives.

Oh, that reminds me. Mark Twain was once arguing with a Mormon and the Mormon said, where can you show me in the Scriptures that polygamy is prohibited?

**An Honourable Member:** What?

**Mr. Santos:** Polygamy. Mark Twain was at a loss. You know, he could not find any prohibition anywhere in the Scriptures, so he quoted that phraseology, no man can serve two masters, for either he will hate the one and love the other, or else he will hold to the one and despise the other.

Try having two wives and you will find life very, very difficult. [interjection] The same thing with reporting to two superiors at the same time. If you are an employee of the government and you have two superior officers giving you direct command at the same time, which one will you obey? This is the basic principle in administrative law, that there should be unity of command in the hierarchy of ranks. You only report to one immediate superior and nobody else, because if you report to more than one, you will find yourself in a difficult, difficult position.

The same thing with the Speaker. If the Speaker owes her position, her office, to all the members of the Legislature, she will be accountable to every member of the Legislature, from the greatest of them to the most humble of them. She owes it to every one of them. She will be impartial. He will be impartial. No other recourse except to uphold the dignity and prestige of the position of Speakership.

\* (1740)

That is why it has been the practice long, long time ago in England to elect the Speaker of the House, and

because it is a sacrifice, every Speaker of the House in the United Kingdom after a tenure of office—which is not one tenure but all the time, multiple tenure of offices—they are appointed to some honour, some peerage, of being a viscount of some other place.

Therefore, it is our task to understand and appreciate, learn from the experience of the past and avoid all the tragedies that could endanger and imperil our own Legislature in this province.

What does it take for a Speaker to learn all this? It is simply the kind of quality that is developed in the performance of the function of the office. It is a difficult thing to do, but it takes time to mature because you have to learn how to be able to serve all the members of the Legislature without appearing to be partisan or bias in any manner. You can be very congenial and at the same time maintain the social distance befitting the office of the Speakership. You can be very congenial without appearing to lose your wit or your sense of humour and still maintain the dignity of the office. Those are the qualities that have developed in due course of time after you have learned the intricacies of the parliamentary rules and the rules of procedure and the attitude and mental disposition that befits a great and honourable Speaker that merits the respect of all the members, not only of the Legislature, but all the members of our province.

The Speaker is the only representative of the House of the Legislature. She represents everybody when she deals with any external agency or any ambassador or any representative from any foreign country. That is why she must have all our support. Without our support, the Speaker can do nothing, but with our support, despite all the obstacles, the Speaker is bound to be a great Speaker. We need to understand this in a dispassionate way. We have to emerge and be able to lift ourselves above the level of ordinary petty quarrels and all the emotional outbursts in this House. But these are expected; we are all human beings. We cannot devoid ourselves of all this emotion and all this passion that makes life interesting. If life were all logical and all pure, it would be a very dull, dull world to live in. That makes it very interesting. How can there be light without darkness? How can there be goodness without some kind of deviation? But it should be a deviation that is temporary and not permanent.

There are certain times when the Speaker should be able to appreciate the moods of the House despite the existing literal rules of procedure. When she has that capacity to appreciate the mood of the House, when to be flexible, when to be firm, when to run the Legislature in a strict discipline and when to allow certain kinds of camaraderie among all the members despite partisan lines of division, then I will say the House will be a good place to be, a good place where everyone will enjoy the experience rather than be frustrated and rather than be carried into the emotion of bickering and hatred and all the other things that characterize any human society.

It is my task, therefore, to say that the bill that is before us, Bill 200, deserves unanimous approval of any true member who represents his or her constituency more than anything else, who represents the people of this province rather than one member who happened to be the Leader of the majority party. Every member of this Legislature is accountable to their own constituents and must explain their vote in this important legislative measure before us, elective or appointed Speaker.

**Hon. James McCrae (Government House Leader):** I have listened with interest this afternoon to the contributions made by the honourable member for Thompson (Mr. Ashton), the honourable Leader of the Opposition (Mr. Doer) and the honourable member for Broadway (Mr. Santos). I have tended to concentrate or will concentrate more on the comments made by the honourable member for Broadway this afternoon in my comments, because I think as he often does, the honourable member for Broadway brings in some fairly well-reasoned concepts, sometimes gets his interpretation or makes his interpretation somewhat differently from what I would do or perhaps others too, but he does give us food for thought when he refers this afternoon to the concept of the difficulty of serving more than one master.

I think anyone could understand that given the interpretation or the facts that he applies to that concept, but what is missing, I say with due respect to my colleagues opposite, is that there is but one master in this Legislature, and that is the Legislature itself. It is not this member or that member or this group of members or that group of members. It is certainly not the presiding officer. The presiding officer is the

servant of the House, not this group of members in the House or that group of members in the House or another group of members in the House—the House.

The honourable member's bill which calls for the election of a Speaker and set out in a format similar to what happens in the House of Commons, they bring that bill forward and their timing is all wrong. There is an old expression, the lawyers know it and my honourable friend the honourable Minister of Consumer and Corporate Affairs (Mr. Radcliffe) would probably back me up when they say that bad cases make bad law is that how that—

**An Honourable Member:** Harsh decisions make good laws.

**Mr. McCrae:** No. That is not what I am after. Thanks, anyway. Bad cases make bad law. If that is not the exact—

**An Honourable Member:** Bad cases do make bad laws.

**Mr. McCrae:** Okay. I have been reinforced after a try or two. [interjection] I appreciate that. What honourable members are opposite, I say with all due respect, are trying to do is to satisfy themselves on a particular topic. find a way to blame something else or someone else for a set of circumstances. This is a very human thing to do, and I recognize why honourable members opposite are doing that.

If the honourable member for Thompson (Mr. Ashton) will be patient, I will try to develop what I am trying to say so that he will, without interruption I hope, understand what I am saying. Not before the events of last fall have honourable members opposite made much of a case about some other system for selecting a Speaker, because I remember in 1986, when I was first elected, the first thing that happened in this House was that the Premier of the day, the then Honourable Howard Pawley selected from amongst the ranks of his caucus, out of his caucus room, one Myrna Phillips to be the Speaker of this House.

Madam Speaker, that was not a popular choice. It was his choice to make under those rules, but honourable members opposite never refer to the

difficulties associated with that particular selection. Our caucus at least had the courage upfront to say we do not approve of this appointment, of this selection, and, well, the rest is history, but honourable members opposite have never referred to those days. They have never made reference to the performance of Myrna Phillips in the Chair of this House.

To the point about serving one master, it is a very important matter, a very important distinction. With all due respect, Madam, you are not the master of this House. The House is the master of this House. The presiding officer is the servant of the House. In that capacity, our presiding officer has carried out the wishes, demands, the orders of this House, and that has not been pleasing to honourable members in the New Democratic Party. Because they were unhappy about the Manitoba Telephone System, they found a way to scapegoat somebody, and, in this case, it was the presiding officer of the House. And all of that—they still talk about to this day—they did it yesterday and I believe Friday—yes and Friday—it is all focused in one place. Never do honourable members opposite look in the mirror, Madam Speaker. In the process of this agenda that they are on, they have forgotten the people of Manitoba; they have forgotten the agenda of the people of Manitoba and have concentrated instead on an agenda of self.

\* (1750)

Madam Speaker, when we as legislators get into that mode, we are no longer appropriately discharging our duties as servants of the people, and whatever one might think about the merits or lack thereof of what is contained in the bill that we are discussing today—and it does make interesting parliamentary discussion as has been proved this afternoon by the honourable member for Broadway—whatever is in there is a smokescreen, because honourable members opposite have been conducting a vendetta now for several months. It is very important because that vendetta is getting in the way of the ability of members of the New Democratic Party to carry out their functions as elected representatives of the people.

It has gotten in their way of discussions of opening up this Legislature, this particular session of this Legislature. It disrupted the opening day of this

particular session, that particular vendetta honourable members are on. It is something the people of Manitoba can see through, the people of Manitoba want us diligently to—[interjection]

Madam Speaker, I forget where I was. The honourable member for Dauphin (Mr. Struthers) has been carrying on a debate from his seat opposite in the Chamber, and I think that I sat very quietly. I did not heckle the honourable member for Thompson (Mr. Ashton), I did not interfere in any way with the honourable Leader of the Opposition (Mr. Doer) or the member for Broadway (Mr. Santos), as they attempted to put forward their arguments in favour of this bill and I would appreciate it if the honourable member for Dauphin would have enough courtesy to sit quietly in his seat.

If he does not want to listen to me, that is all right, but I think he owes the House, if not myself, some courtesy, with respect to the discussion this afternoon to allow a little quiet and decorum to exist in this House as I try to address the issues raised by his colleagues—three of them, Madam Speaker, and I am the only one from this side of the House to speak this afternoon. I think the honourable member for Dauphin—it would be appreciated if he would sit quietly or sit somewhere else.

The honourable member spoke of the requirement of a sense of humour, and that sense of humour ought to be resident in presiding officers of legislatures. Also to be part of the demeanour of members of a legislative assembly, a sense of good humour and a sense of good nature is absolutely essential for the proper functioning. Now the honourable member for Dauphin says, are you for this bill or you are against this bill? Madam Speaker, whether I am for this bill or against this bill is quite irrelevant; the bill will not be the subject of a decision today.

I want my comments to be taken into account by those who might have some trouble with this concept. My point is, the timing the New Democrats are using is totally wrong. The time to decide on the best way to choose your presiding officer is not at a time of conflict, as we have seen in recent months in this place. The time is when you can have a rational look at the issues.

The honourable members in the New Democratic Party, with all due respect, are not rational these days. They have a mind-set; they are conducting a vendetta, Madam Speaker. With that in mind, how can you possibly make rational decisions? The sense of humour is missing. I see honourable members opposite—well, the demeanour of the member for Dauphin this afternoon demonstrates very clearly, there is no such thing as a sense of humour with that particular member. I suggest perhaps others are a little more generous of character and have the required sense of humour to carry out their duties properly.

Without that sense of humour, you cannot work with people. All you can do is be angry at them all the time. If all you ever are is an angry, sad person, then you are not an effective person in carrying out your duties as an elected person. If you are sad, look in the mirror. I say this to honourable members opposite who have displayed a very low level in terms of a sense of humour. I do not say that about the honourable member for Broadway (Mr. Santos), because he is the person who raised the matter, and I think that he raised it effectively and appropriately this afternoon.

The whole thing is that the honourable member for Broadway has missed the point here in terms of his reasons for rising in debate today and his reasons for supporting the legislation. He is quite entitled to it, and I respect him for supporting the legislation. Indeed, there are different ways of selecting presiding officers and that is something that can be looked at any time. The wrong time to look at it is when there is dissension in a Legislature.

I do not care what kind of system you have for selecting your Speaker. If you have members in a House whose prime purpose day in and day out is to disrupt, to waste the time of the people of Manitoba, to waste the time of the Legislature, to conduct personal vendettas, I do not care what kind of Speaker you have, nothing is going to work very well.

I think honourable members opposite need to look in the mirror, examine their own situation. As I listened to the honourable member for Broadway talk about the difficulty of serving more than one master, my first thoughts went sympathetically to the honourable Leader of the Opposition whose shoes I would not want to be

in these days. When I look at the benches opposite and I look at the disparate group of people there who represent every kind of different point of view—very often at odds with the point of view brought forward by any leadership over there, the opposition House leader, or the Leader of the Opposition—I think they are having a very tough time in the ranks of the New Democratic Party these days.

It would be interesting albeit not enjoyable to be a fly on the wall of the NDP caucus, because who knows what might be flying around in there. Certainly if the rhetoric we see in this place and in front of the TV cameras represents the NDP, it must be a very difficult place, indeed, the NDP caucus room.

But, Madam Speaker, that serving one master is something the Speaker must do. The Speaker must serve that one master, the Legislature, and the honourable members of the New Democratic Party have totally missed that point. They think they are the masters because they are the opposition. It is true parliaments are designed for talk. The word “parliament” flows from the word, I think it is “parler” or some such word. It means to speak, and that is what this is about. Honourable members opposite have chosen to hide the blame for what has been happening, which is their fault, and to try to point the blame in the direction of the presiding officer, it is a pretty cheap way to go about public business. The people of Manitoba are already onto them. They are going to have to get on with the real world and to get on with their real duty, which is to serve the agenda of the people of Manitoba instead of their own very narrow, personal agendas.

**Hon. Mike Radcliffe (Minister of Consumer and Corporate Affairs):** Madam Speaker, I rise today, as well, to put a few humble words on the record with regard to—[interjection]

I hear some vague maunderings coming from the member for Thompson (Mr. Ashton) across the way. I would say that that almost borders on abuse to the person. That sort of ties into some of the comments that I would like to make, because I would like to talk about respect of office. I look at this clause which is in The Legislative Assembly Amendment Act and it reads as follows: “Until Rules are adopted by the Legislative

Assembly governing the procedures for the election of the Speaker by secret ballot, the election shall be conducted to the extent possible in accordance with the provisions of the Standing Orders of the House of Commons respecting the election of the Speaker of the House of Commons.”

Madam Speaker, I would suggest that—

**Madam Speaker:** Order, please. When this matter is again before the House, the honourable member for River Heights (Mr. Radcliffe) will have 14 minutes remaining.

The hour being 6 p.m., this House is adjourned and stands adjourned until 1:30 p.m. tomorrow (Wednesday).

# LEGISLATIVE ASSEMBLY OF MANITOBA

Tuesday, April 15, 1997

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