



Fourth Session - Thirty-Sixth Legislature

of the

Legislative Assembly of Manitoba

**DEBATES
and
PROCEEDINGS**

**Official Report
(Hansard)**

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Speaker*



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MANITOBA LEGISLATIVE ASSEMBLY
Thirty-Sixth Legislature

Member	Constituency	Political Affiliation
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.
EVANS, Clif	Interlake	N.D.P.
EVANS, Leonard S.	Brandon East	N.D.P.
FAURSCHOU, David	Portage la Prairie	P.C.
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.
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.
Vacant	Charleswood	

LEGISLATIVE ASSEMBLY OF MANITOBA

Tuesday, May 12, 1998

The House met at 1:30 p.m.

PRAYERS

MATTER OF PRIVILEGE

Minister of Justice

Mr. Gord Mackintosh (St. Johns): I rise today on a matter of privilege, and I will be concluding the matter with a substantive motion. The purpose of raising this matter is to set the foundation for what is a clearly established series of inconsistencies presented by the Minister of Justice (Mr. Toews) in regard to the appointment of judges to the Provincial Court of Manitoba, inconsistencies, Madam Speaker, that really mean that the minister has deliberately misled this Legislature.

Madam Speaker, it is our understanding that a meeting was held on Monday, May 4, last Monday, a meeting attended by the minister and the Chief Judge of Manitoba in her capacity as chair of the nominating committee which was struck by Order-in-Council in order to fill two vacancies on the Provincial Court.

The sole purpose, we understand, of that meeting was so that the Chief Judge could present to the minister a list of candidates for the two positions. We understand that the nominating committee came up with seven names and then presented those to the minister at this meeting. Within the context of this meeting, Madam Speaker, there are serious questions now being raised about what was said.

The first indication as to what was said at that meeting came from respected members of the Manitoba legal community, first being Mr. Guy Joubert, the president of the Manitoba Bar Association, a member of the nominating committee. The second came from Ms. Colleen Suche, Q.C., the president of the Law Society of Manitoba, also a member of the nominating committee. Their version of events and advice from the chair to them were consistent with each other.

Now, Madam Speaker, to briefly go over the inconsistencies. First of all, by way of background, not statements in this House, we recognize that, but statements made by the minister against which we will look at statements made to the Assembly. First of all, it appeared in the Winnipeg Free Press on Thursday, May 7, the following information: he—that is the Justice minister—said he contacted Webster and asked her if there were any other qualified bilingual candidates and, if so, would the committee consider adding them to the list. He said he would recommend such a person to cabinet for an appointment.

Now, Madam Speaker, the minister said in this House that that was simply a paraphrasing; it was not a direct quote. Interestingly, the next day in the Winnipeg Free Press, the same writer said and maintained the paraphrased information and the writer put in the paper, but in an interview with the Free Press on Wednesday, the Justice minister indicated he was the one who brought forward the idea of adding candidates, not what the minister said last Thursday in the House: it was the chair of the committee.

Now then, moving along, I want to draw attention of the House to what the minister said on May 7. The issue here is who raised the issue of the need for a bilingual nominee to be presented to the minister. The minister said in the House on May 7, that is on Thursday, “the suggestion that the list was to be expanded to include bilingual candidates in fact was not a suggestion made by me. It was in fact a suggestion made by the chairperson of that committee when she came to see me in respect of this particular issue.”

Now, interestingly in the same series of questions in this House, he then went on to say this: “This was an issue we had raised jointly.” Even on Thursday his statements contradict the other.

* (1335)

Then let us go to yesterday, Madam Speaker. The minister all of a sudden changes his tune. No longer was it not a suggestion made by him. He said yesterday, "I had raised the issue of bilingual capacity, French-speaking capacity on our courts." He went on to say, "I had indicated to the Chief Judge the concern I had over that issue," and interestingly, "and we proposed a solution." Then he went on to talk about how—this is the evidence of negotiating: "I certainly indicated I would be prepared to recommend to my cabinet colleagues the increase of two to three positions in order to accommodate that." Finally, yesterday, he said this, and this is very clear, and so clearly contradicting last Thursday's information from the minister. He said, "The issue of a bilingual judge was raised at the meeting on Monday by me. There is no question about that," he concluded.

Well, you have different versions by the same person of the same meeting. And what did the minister say on Thursday to placate people who were questioning his integrity? He said, and this is a very important statement. He said this: "I have accurately conveyed the substance of the discussions between the Chief Judge and I on this issue." That cannot be true, Madam Speaker. He purposely came into this House. He gave conflicting accounts of who raised the issue of a bilingual candidate in the face of assuring Manitobans, assuring this House, that he had accurately presented that information. You cannot have that without concluding that he has deliberately misled the House. The evidence has to be convincing, I understand. That evidence meets the test.

There is another serious issue here. There is the issue of a contempt by this minister for the law of Manitoba, a law brought in by the members opposite to attempt to move towards modernizing the appointment of judges to the Provincial Court. But the minister has ignored the section that speaks to him. It only speaks to him, no one else. It tells him that he cannot send the list back, but he did so, and so this Legislature must insist on an appropriate sanction. The minister must resign.

In answer to the conflicting information, yesterday the minister got up and said: you do not like it—essentially he said: sue me. What arrogance of a government to say to the people of Manitoba—because

that is who he is talking to—you do not like what I am doing, sue me. He said he is not accountable to Manitobans. He is not accountable to the members in this Assembly who come in here with the concerns and worries of their constituents, particularly when we are dealing with serious trends of violent crime and the need to have confidence in our judges. He says: you do not like it, sue me. Well, Madam Speaker, this Legislative Assembly is also a court, and for Manitobans, this court is their court. I say to this minister, he had better understand the difference between a courtroom and the Legislative Assembly. This Legislative Assembly can judge this minister, it can hear all of the players, and it can reconcile the horrendous conflict in information that is out there and it can provide a sanction for this minister deliberately misleading this House.

So I move, seconded by the member for Concordia (Mr. Doer), considering the inconsistencies in the Minister of Justice's (Mr. Toews) version of events both in this House and outside regarding a very serious issue, the integrity of our justice system itself, that this matter be referred to the Committee on Privileges and Elections.

Hon. James McCrae (Government House Leader): Madam Speaker, we have been treated to a weekly pattern of conduct on the part of the opposition in this House during this session and in past sessions, but certainly this one, with respect to the way they bring forward their issues. Honourable members opposite are desperate because they are not able to show to the people of Manitoba that their version of what good government is all about is anywhere close to what is going on here on this side of the House. I will not touch on the issue of timeliness and the technicalities associated with that. I leave that to your judgment.

* (1340)

The main issue here is whether the honourable member for St. Johns (Mr. Mackintosh) has a prima facie case of privilege which, if he did, would require some further action which is laid out in the motion that he has brought before us today, a motion very similar to other motions, either motions for reference to a standing committee or censuring somebody or calling

for somebody to apologize or calling for somebody to resign. It is a very consistent pattern. To be complaining that anybody in this House would be bringing forward inaccurate information or somehow misleading the House is the height of hypocrisy coming from honourable members opposite who daily bring information into this House misleading us, misleading the members of the public and the honourable members should be the last people to be talking about someone misleading.

The honourable Minister of Justice (Mr. Toews) has, in his relationship with the judiciary, responsibilities to carry out, and he has laid out his conduct of these matters in his answers in this House. I suggest there is absolutely nothing here more than as is usual, as you describe it, Madam Speaker, a difference of opinion as to the facts and the interpretation of those facts. As usual, we find ourselves on a different side than the honourable member for St. Johns.

With that, I suggest there is no question of privilege whatsoever.

Mr. Steve Ashton (Opposition House Leader): I thought the minister was going to get up and announce his resignation, Madam Speaker, and I would defer to the minister if he was going to do that.

I want to stress that, first of all, I do agree with one thing that the government House leader said. There is most definitely a disagreement here in statements, but it is a disagreement between statements made by this minister in this Legislature last Thursday and statements he made again on Monday, two completely different versions of the fact.

I want to stress, as well, this is the first opportunity we have had to review Hansard and confirm that what the minister said yesterday bears no reflection whatsoever with what he said on Thursday. I want to deal, as well, with the fact that what we need to establish here is whether there is a prima facie case of privilege. I believe that we can demonstrate that what this minister has done on this matter since the beginning of this issue being debated, whether it be debated outside in the hallway or in this Chamber, he has shown contempt for this Legislature.

I want to sum up essentially what the minister's position has been. On Thursday, he basically said he did not do it and he did not break the law. Yesterday, he said, well, he did it. You know, he did suggest that this addition be made, but he did not break the law. But, you know, if he did it and he did not break the law, it actually had not happened yet, so that was the other qualification put on, since he had not been able to fully rig the system. That was his third defence. His final defence was, well, if I did it and I broke the law, sue me.

Madam Speaker, that is not acceptable to this Legislature and the people of Manitoba. I believe the appropriate thing is not to challenge people to sue him. It is to do the honourable thing and resign, and that is what he should do today.

I want to stress again what the issue is here. You know, Madam Speaker, the issue is not just about the credibility of this minister. I would suggest it is also not about, I think, the fact that this government has been in government so long that it has lost any sense of political ethics. I think really you can do pretty well anything in that cabinet. You will not have the Premier (Mr. Filmon) asking you to resign, because they have no sense of what the public understands to be wrong. I look at the jurisdiction to the east of us where an Attorney General did something that was wrong and resigned pending an independent inquiry.

Madam Speaker, the issue here is whether the Minister of Justice (Mr. Toews) attempted to rig the selection of the justices involved, the judges involved. Do not let anyone kid themselves. This was not some new-found concern about putting a bilingual judge in place. If that was the issue, that would have been put in place in terms of the description required in terms of the judge. But everybody knows—put it in the context of a job interview. It is very easy to manipulate who you get and the end result by just changing the qualifications. I think everybody knows of situations where people have rigged the interview process in the job so they will get one person that just happens to have those qualifications. We know that is what the Minister of Justice did.

* (1345)

The Law Society, I believe, has made statements publicly, as has the Bar Association. This minister could not accept the process. This minister had to attempt to rig the process. It is no defence to say he got caught. The fact is he tried to rig the process, and therefore he should resign as Minister of Justice. I would suggest if he is going to stand in his place, this matter will be resolved by him saying he is resigning and then the Premier (Mr. Filmon) doing the appropriate thing, which is to call the independent review that we have suggested from day one on this.

I say to the Premier—because yesterday he let the Minister of Justice (Mr. Toews) dangle out there—do what other Premiers have done: recognize this is a breach, a serious breach. Recognize it is wrong for a Minister of Justice to try and rig the selection of judges in this province. Ask him to resign, call the independent inquiry and the bottom line is ensure that we have some faith in the justice system. I say to the Minister of Justice, so long as he hangs in there by a thread and does not do the right thing and resign, the people of Manitoba will have no confidence in this Minister of Justice.

Hon. Vic Toews (Minister of Justice and Attorney General): Madam Speaker, my comments in response to the motion will be brief. I accept the comments of the member for Brandon West (Mr. McCrae) in respect of this issue.

The confusion from the benches on the other side is evident. They say that there is one issue. In fact, there were a number of issues and a number of answers given in response to those issues. There were at least three issues raised in Question Period or by others. Number one, the issue of a bilingual candidate, the issue of the number of positions and the solution. There were three separate issues. It is not surprising that answers in respect of each issue would not be identical because the issue is different. The issue is different, Madam Speaker, and so this is not a matter of being inconsistent. This is a matter of responding specifically to the question raised.

Mr. Kevin Lamoureux (Inkster): Madam Speaker, I, too, wanted to put some words on the record with respect to what is a very important issue, a matter of

privilege. In fact, the last time we had a matter of privilege I stood in my place, and that was with reference to the Minister of Finance (Mr. Stefanson) and his brother, Tom Stefanson, in which I believed that the opposition had a legitimate matter of privilege and took the opportunity to condemn what I believed the government was doing wrong.

In this particular case, Madam Speaker, I do believe at least in part that the minister has been—and this is giving the minister the benefit of the doubt—somewhat confusing in the answers that he has been giving to the official opposition. But having said that, I look to what the member for Thompson (Mr. Ashton) was talking about. What he was talking about is the issue of the rigging of the system. From what I can recall, and I have only been here for 10 years, we had previously a system that had judges being selected through a cabinet process. There was legislation that was brought in a number of years ago where that in fact was changed so that a list would then be brought forward and then cabinet would choose from that list.

Madam Speaker, whenever you bring in legislation, there is always the possibility of a need for some form of change, some things that are not necessarily taken into account. What I would like to point out, at least from what I understand, is that a list was provided. There was a great deal of concern in the sense that there was no one that was on that list that was bilingual. There is a need for a bilingual judge, and in the past what would have happened was the cabinet would have in fact chosen and addressed that particular issue. Today that cannot be done because there is a list that is required, but there was no one on that list, from what I understand. The Minister of Justice (Mr. Toews) was asking or suggesting that a bilingual applicant at least be provided on that list, not a particular individual. If in fact there had been—and I have not heard the name of an individual.

If the Minister of Justice was trying to manipulate the system in order to try to get a specific individual on that list, I would have very serious concerns about that. Then I think we would be taking a step backward, and we would be defeating the purpose of the legislation which is now law in the province of Manitoba. I have not detected that. I have not been provided any

information that tells me that the Minister of Justice was trying to get a particular individual appointed to the judiciary. What I do understand is that the Minister of Justice is trying to get a bilingual member of the public to the judgeship. In that sense, given the need for having a more bilingual court, there is some merit to that.

* (1350)

It poses the question, Madam Speaker, what then happens in the future? Let us say we wanted to get an aboriginal person on a particular list. There is always the possibility that list might be too narrow in its scope. Does that mean there is absolutely nothing that we can do as legislators to ensure that the needs of the public, whether it is a bilingual individual, whether it might be someone of a visible minority, at least has the opportunity to get on that list.

That is why I do think it was valuable for the Minister of Justice (Mr. Toews) to have engaged in some sort of a discussion with the Chief Judge—and I understand that in fact did take place—where the issue of a bilingual candidate was at the very least brought up. If I were the Minister of Justice and that was an issue that was discussed, I would have hoped that we would have had a particular—at least one, possibly two candidates, because if the need is there, hopefully there would be applications to fulfill that need. If there was only one individual, well, then, who was the individual? Was there a tie-in? Was the Minister of Justice made aware of it? Those are critical questions. Those questions have to be answered before you can actually suggest that the minister is trying to rig the system, because if the minister—and in our rules it says that all members are honourable, so if we say the Minister of Justice is honourable, we have to—and it is not a question of being stupid or naive. Madam Speaker, it is a question of recognizing that each and every one of us try to do the best we can with whatever legislative responsibilities we have. I trust that, until it is proven otherwise, the Minister of Justice was not trying—at least nothing has been presented to me to indicate that he was attempting to get a particular individual. But if we know the name, it should have been brought up in the matter of privilege, the background of the individual. Does that individual have any association with the Minister of Justice?

Some Honourable Members: Oh, yes.

Mr. Lamoureux: Members of the opposition say yes. [interjection] That is right. But if the issue, the real issue, as the opposition House leader talks about, is the rigging of the system, you have to demonstrate that. If you are telling the public to have no confidence and that this minister has to go, Madam Speaker, you have to be able to demonstrate that in a very clear, concise way.

We have a new system here which on the surface one could easily say that there has been some manipulation that has occurred, but if you do start looking at some of the responses that have been given and some of the demands or some of the needs of our judicial system, maybe there is some merit to having another bilingual judge sitting on the bench. I do not think that there would be members inside the Chamber that would oppose that. Because there was no potential candidate on that particular list, it then limits the government from having a bilingual person added to the list. [interjection] Well, those are the types of things which you should be raising during the issue. If you are trying to say that it was rigged, that is what you should have been talking about during the matter of privilege: demonstrate that it was rigged. You cannot say that it was rigged because the Minister of Justice has a discussion with the Chief Judge; they talk about the need for an additional bilingual judge or the potential, that there should be a bilingual candidate on the list of seven, and all of a sudden there is no bilingual candidate. I, too, would be disappointed if I was the Minister of Justice. I understand that the Minister of Justice did not say that he is outright rejecting the list. What he was hoping to see was a bilingual candidate. If that bilingual candidate would have been his best buddy, or his best friend, or a strong Tory, or something of this nature and he was the only individual—[interjection] Madam Speaker, it is being suggested to me that I am getting to the point—

Madam Speaker: Order, please. I would remind the honourable member for Inkster, this is not a time for debate with the opposition members. This is a time to establish whether a prima facie case has been made for a matter of privilege.

The honourable member for Inkster, to quickly sum up his remarks.

Mr. Lamoureux: To quickly sum up, Madam Speaker, the member for Burrows (Mr. Martindale) said it from his seat: they will give me the notes next time. Well, those notes are what should have maybe been read into the record so that MLAs such as myself would be able to make a better decision, but based on what has been said today on the record from the official opposition, I would conclude by saying that yes, the Minister of Justice has been confusing in some of the answers that he has been giving, and that is to give him the benefit of the doubt. I do believe that the Minister of Justice is trying to fill the need of, at the very least, providing to cabinet a bilingual candidate. There was no individual who has expressed to me inside this Chamber that the Minister of Justice (Mr. Toews) was trying to get on to that list. That, therefore, tells me that he is not rigging it, and that was in essence the core issue in which the member for Thompson (Mr. Ashton) had talked about. So, for that reason, Madam Speaker, I could not support this matter of privilege.

Madam Speaker: Order, please. A matter of privilege is indeed a very serious matter, and I will take this matter under advisement to consult the authorities and return to the House with a ruling.

* (1355)

ROUTINE PROCEEDINGS

PRESENTING PETITIONS

Winnipeg Hospitals Food Services—Privatization

Mr. George Hickes (Point Douglas): Madam Speaker, I beg to present the petition of L. Whiteway, J. Finlayson, K. Laporte and others praying that the Legislative Assembly of Manitoba urge the Minister of Health (Mr. Praznik) to put an end to the centralization and privatization of Winnipeg hospitals food services.

Mr. Gregory Dewar (Selkirk): Madam Speaker, I beg to present the petition of J. Spikhuk, A. Daniels, A. Shymanski and others praying that the Legislative

Assembly of Manitoba urge the Minister of Health to put an end to the centralization and privatization of Winnipeg hospitals food services.

Mr. Jim Maloway (Elmwood): Madam Speaker, I beg to present the petition of O. Parenteau, B. Spence, J. St. Cyr and others praying that the Legislative Assembly of Manitoba urge the Minister of Health to put an end to the centralization and privatization of Winnipeg hospitals food services.

The St. Paul's College Incorporation Act

Mr. Marcel Laurendeau (St. Norbert): Madam Speaker, I beg to present the petition of St. Paul's College praying for the passing of an act to amend The St. Paul's College Incorporation Act.

Winnipeg Hospitals Food Services—Privatization

Mr. Conrad Santos (Broadway): Madam Speaker, I beg to present the petition of D. Carrette, C. Jubinville, G. Bourejeois and others praying that the Legislative Assembly of Manitoba urge the Minister of Health to put an end to the centralization and privatization of Winnipeg hospitals food services.

READING AND RECEIVING PETITIONS

Winnipeg Hospitals Food Services—Privatization

Madam Speaker: I have reviewed the petition of the honourable member for Selkirk (Mr. Dewar). 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.

THAT the Urban Shared Services Corporation (USSC) has announced plans to privatize laundry, food services and purchasing for the Winnipeg hospitals; and

THAT it is estimated that more than 1,000 health care jobs will be lost over the next year as a result, with

many more privatized in the next two or three years; and

THAT under the terms of the contract, Ontario businesses will profit at the expense of Manitoba's health care system; and

THAT after construction of a food assembly warehouse in Winnipeg, chilled, prepared food will be shipped in from Ontario, then assembled and heated before being shipped to the hospitals; and

THAT people who are in the hospital require nutritious and appetizing food; and

THAT the announced savings as a result of the contract have been disputed, and one study by Wintemute Randle Kilimnik indicated that, "A considerable number of studies have compared costs of service delivery in health care between self-operation (public sector) and privatization. Invariably, privatization is more expensive."; and

THAT no one in Manitoba seems to benefit from this contract, especially patients.

WHEREFORE YOUR PETITIONERS HUMBL Y PRAY that the Legislative Assembly of Manitoba urge the Minister of Health to put an end to the centralization and privatization of Winnipeg hospital food services.

Madam Speaker: I have reviewed the petition of the honourable member for Point Douglas (Mr. Hickes). 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.

THAT the Urban Shared Services Corporation (USSC) has announced plans to privatize laundry, food services and purchasing for the Winnipeg hospitals; and

THAT it is estimated that more than 1,000 health care jobs will be lost over the next year as a result, with

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THAT no one in Manitoba seems to benefit from this contract, especially patients.

WHEREFORE YOUR PETITIONERS HUMBL Y PRAY that the Legislative Assembly of Manitoba urge the Minister of Health to put an end to the centralization and privatization of Winnipeg hospital food services.

* (1400)

PRESENTING REPORTS BY STANDING AND SPECIAL COMMITTEES

Committee of Supply

Mr. Marcel Laurendeau (Chairperson): 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 Gimli (Mr. Helwer), that the report of the committee be received.

Motion agreed to.

MINISTERIAL STATEMENTS

National Mining Week

Hon. David Newman (Minister of Energy and Mines): Madam Speaker, I have a statement in my capacity as Minister of Energy and Mines.

Madam Speaker, I am pleased to rise in the House today to acknowledge and celebrate—

Madam Speaker: Would the honourable minister please wait for the distribution of the statement?

Mr. Newman: Madam Speaker, I am pleased to rise in the House today to acknowledge and celebrate National Mining Week. Mining is a billion-dollar industry in Manitoba and is second only to agriculture in terms of economic benefits. National Mining Week brings with it formal recognition of the strong heritage and tradition that mining holds in the history and development of our province. It is interesting to note that the first Department of Mines and Natural Resources was established in Manitoba in 1928. This year marks the Mines Branch's 70th anniversary. Looking again at the history of mining in our province, hematite or red iron ore mining was first documented by Louis LaVerendrye in 1739 at Red Rock for use as a natural pigment by First Nations.

Hudson Bay Mining and Smelting Company Limited set up in Flin Flon in 1927 was one of North America's largest copper-zinc deposit finds for the first half of the 20th Century. In 1956, a major nickel deposit was discovered by the International Nickel Company of Canada Ltd., Inco, at Thompson. This find, as well as many others, occurred in areas traditionally occupied by aboriginal peoples and has led to the establishment of major centres of industry and commerce such as Thompson.

The mining industry has and continues to shape our north. The partnership with aboriginal peoples will determine, in a large part, the future development of sustainable and healthy communities in the North. While the industry has experienced difficulty recently due to volatile market conditions, we continue to

actively encourage mining investment and exploration in our province. We provide high-quality service and act in partnership with the mining industry to face the challenges together.

The mining industry is very important to Manitoba. I would like to take this opportunity to invite all members of the House to join the mining industry in the Meet the Miners 1998 celebration on Thursday night of this week. I welcome you to come and share the importance of mining with our many industry, government and service associates. Thank you very much, Madam Speaker.

Ms. MaryAnn Mihychuk (St. James): Madam Speaker, I am pleased to join the minister in recognizing National Mining Week, and indeed, it is a particularly significant industry in Manitoba. It has provided the base and the roots for northern development in many circumstances, but we are facing tough times in the short term right now.

Over the last 10 years of this government's government, we have seen unfortunately the loss of over a thousand jobs in the mining industry in the North. Not only have we lost a thousand jobs overall, we see unemployment numbers in the North of over 25 percent. At the same time, we see the closure of the Bissett mine in December, potentially the closure at Leaf Rapids. Lynn Lake has lost over 25 percent, I understand, of its population.

Madam Speaker, this government's record in terms of encouraging the construction and development of mining, new mines creating jobs in Manitoba, needs significant improvement. Manitoba has a wealth of resources that are available for development, and I would suggest that this government needs to put its priorities where its words are and put full-time effort into directing and leading Manitoba mining so that we can renew and rebuild Manitoba mining in our province.

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 forty

Grades 10 to 12 students from Crocus Plains Regional School and from St-Jerome, Quebec, under the direction of Madame Rhéa Chudy. This school is located in the constituency of the honourable member for Brandon East (Mr. L. Evans).

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

ORAL QUESTION PERIOD

Minister of Justice Independent Investigation

Mr. Gary Doer (Leader of the Opposition): Madam Speaker, my question is to the Premier.

The president of the Bar Association, on public record last week, accused the Minister of Justice (Mr. Toews) of political interference in the selection of judges here in the province of Manitoba. It went on to say that the minister tainted the process.

Further, Madam Speaker, the president of the Law Society of Manitoba, Colleen Suche, another member of the independent committee, accused the Minister of Justice (Mr. Toews) of subverting the law as it affects the selection of judges. Now both these comments were made on the basis of statements made to the Chief Judge and direction given by the Chief Judge back to the committee members.

Madam Speaker, I would like to ask the Premier (Mr. Filmon): will he have an independent credible investigation so that senior members of our justice community that are at odds about the political interference of our Justice minister—so these matters and facts can be corrected for the public, for all of us in terms of restoring the integrity in our justice system and the justice system here in Manitoba?

Hon. Gary Filmon (Premier): Madam Speaker, it seems almost laughable that this Leader of the Opposition, whose party when in office, when he was a part of that government, appointed judges on a strictly political patronage basis, would now be standing up as the champion of independent appointments to the

judiciary. It is unbelievable that he would have the audacity to do that. He is basing his case entirely on the basis of comments made by people who were not present and did not even meet with the Minister of Justice (Mr. Toews) in the deliberations. I suggest that he would be better to go and chase those somewhere else.

* (1410)

Mr. Doer: This law has been passed in this Legislature, as similar laws have been passed all across Canada, and the question is whether the Minister of Justice (Mr. Toews) broke the law that was passed in this Legislature in 1989, a law which we respect.

Madam Speaker, Colleen Suche, the president of the Law Association, accused the minister of subverting the laws of Manitoba and subverting the process in Manitoba. It is not chasing ghosts; this is a very serious matter, and it is worthy of more than just the arrogance and contempt of members opposite.

When I asked about Ms. Suche's comments yesterday, the Minister of Justice (Mr. Toews) said, quote: her facts are not the same as my facts on the basis of the meeting.

Now we have already seen, when it comes to facts, that the Minister of Justice has one set of facts on Thursday on who initiated the meeting and another set of facts yesterday on who initiated the discussions on a selection of an additional member of the bench. Given that Ms. Suche's reputation is on the line, the president of the bar is on the line, the Minister of Justice, we believe, is on the line, and Ms. Webster, the only person that was witness to the statements of the Minister of Justice, I would like to ask the Premier, in light of the fact that Wilson Parasiuk, when he was under attack from the media, did the honourable thing and resigned and had the matter investigated by a retired eminent, credible judge—why will the Premier not take the same action to restore honour and integrity back to the justice system, Madam Speaker?

Mr. Filmon: Madam Speaker, this has little to do with honour and integrity and everything to do with the political agenda of the members opposite.

Mr. Doer: I would like to ask the Premier: does he believe that the president of the Bar Association and the president of the Law Society of Manitoba, Colleen Suche, Mr. Joubert, are on an agenda, a political agenda, or are they on an issue of an integrity in our justice system? Why will the Premier not take the allegations made against his Justice minister by Ms. Suche and Mr. Joubert—why will he not take these seriously and clear the name of the Minister of Justice (Mr. Toews) or clear the name of the other two individuals that are in dispute with his Minister of Justice?

Mr. Filmon: Madam Speaker, I—

Some Honourable Members: Oh, oh.

Madam Speaker: Order, please.

Provincial Court Act Judicial Appointment Process

Mr. Gord Mackintosh (St. Johns): Madam Speaker, to the Minister of Justice. When our loved ones and our neighbourhoods are injured by crime, we have to know that the offenders will be brought before judges who understand very well the law and know that public safety is job one on the basis that the judges got their position and their tremendous power because they are attuned, because they are capable, not just because they paid political dues to a party or are friends of the minister or even appear to be. That is the modern way, and we support that.

My question to the minister: would he admit that all his different versions of events are concoctions because he just got caught rigging the appointment process because he did not see his Tory candidate on the list of seven?

Hon. Vic Toews (Minister of Justice and Attorney General): No, Madam Speaker, that is not correct.

Mr. Mackintosh: Would the minister then admit that the effect of his sending the list back to the nominating committee for a bilingual candidate was to hand-pick a Tory candidate, his Tory candidate who we understand was Mr. Glen Joyal, whom he knew had applied, who

was the only one interviewed? He did not have to say a name, Madam Speaker; only one person fit his order.

Mr. Toews: Madam Speaker, there were, I was advised by the Chief Judge, 66 applications. There were 22 interviews, and the suggestions that the member opposite is making are preposterous.

Mr. Mackintosh: Would the minister, who admitted in the hallway that he knew Mr. Glen Joyal was interviewed by the committee, also admit that once the list was presented to him by the nominating committee, it could not go back for any excuse or reason? It is a one-way street, but he turned it into a two-way street in search of his Tory candidate.

Mr. Toews: This is a member who claims that he and the party opposite have respect for the law, and yet through their questions and the statements that they have made today and at other times have in fact subverted the intention of the legislation. So if there is any cause in that—

Some Honourable Members: Oh, oh.

Madam Speaker: Order, please.

Point of Order

Mr. Steve Ashton (Opposition House Leader): Point of order. The question was very clear, and for this minister to get up and accuse the opposition of subverting the legislation when he attempted to rig the selection of judges in this province is absolutely unacceptable. You should ask him to withdraw those comments, Madam Speaker. The right thing for that minister to do is to resign because he has no credibility left in this Legislature.

Hon. James McCrae (Government House Leader): Madam Speaker, the only thing demonstrated by the point raised by the honourable member for Thompson (Mr. Ashton) is not a point of order but the thinness of the skin of members of the New Democratic Party. I suggest they are very, very sensitive about their own abysmal, pitiful record when it comes to the appointment of judges in the time that they had an

opportunity to do that. But what the honourable member for Thompson also does in raising his point of order is show, again, the hypocrisy of the New Democrats by suggesting the Attorney General is accusing New Democrats of something when, in his own question, the honourable member for St. Johns (Mr. Mackintosh) accused the honourable Minister of Justice (Mr. Toews) of rigging.

So, you know, the honourable members have a pretty funny view of the rules of this place, rules for them that are quite different than rules for everybody else in the House, which demonstrates the hypocrisy of the positions they take here day in and day out.

Madam Speaker: Order, please. The honourable member for Thompson (Mr. Ashton) did not have a point of order.

* * *

Mr. Ashton: Madam Speaker, I challenge your ruling.

Madam Speaker: The ruling of the Chair has been challenged.

Voice Vote

Madam Speaker: All those in favour of sustaining the ruling of the Chair, please say yea.

Some Honourable Members: Yea.

Madam Speaker: All those opposed, please say nay.

Some Honourable Members: Nay.

Madam Speaker: In my opinion, the Yeas have it.

* (1420)

Formal Vote

Mr. Ashton: Yeas and Nays, Madam Speaker.

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

Order, please. The question before the House is: shall the ruling of the Chair be sustained? All those in favour of sustaining the ruling of the Chair, please rise.

A RECORDED VOTE was taken, the result being as follows:

Yeas

Derkach, Downey, Driedger, Dyck, Enns, Faurschou, Filmon, Findlay, Gaudry, Gilleshammer, Helwer, Laurendeau, McAlpine, McCrae, McIntosh, Mitchelson, Newman, Penner, Pitura, Praznik, Radcliffe, Reimer, Render, Rocan, Stefanson, Sveinson, Toews, Tweed, Vodrey.

Nays

Ashton, Chomiak, Dewar, Doer, Evans (Brandon East), Evans (Interlake), Friesen, Hickes, Jennissen, Kowalski, Lathlin, Mackintosh, Maloway, Martindale, McGifford, Mihychuk, Reid, Robinson, Sale, Santos, Struthers, Wowchuk.

Mr. Clerk (William Remnant): Yeas 29, Nays 22.

Madam Speaker: The ruling of the Chair is accordingly sustained.

* (1430)

Provincial Court Act Judicial Appointment Process

Mr. Dave Chomiak (Kildonan): J'ai une question pour le ministre de la Justice (M. Toews).

Madame la présidente, il y a cinq ans quand on avait besoin des juges bilingues, il y avait un bulletin qui a demandé un candidat bilingue. Cette année, nous avons un bulletin qui a demandé un candidat seulement unilingue. Je demande au ministre de la Justice: est-ce qu'il s'est rendu compte qu'après le bulletin, il est trop tard pour demander un candidat bilingue?

[Translation]

I have a question for the Minister of Justice (Mr. Toews).

Madam Speaker, five years ago when bilingual judges were needed, there was a bulletin which requested a bilingual candidate. This year we have a bulletin that only asked for a unilingual candidate. I ask the Minister of Justice: did he realize that after the bulletin, it is too late to ask for a bilingual candidate?

Hon. Vic Toews (Minister of Justice and Attorney General): Madam Speaker, I did not have the benefit of the translation, and my French is not particularly good, but I understand the question to be that the advertisement did not specify a bilingual candidate. What I can indicate to the speaker is that the Chief Judge sets the advertisements.

Mr. Chomiak: Madame la présidente, je poserai la question une fois encore. Est-ce que le ministre ne se rend pas compte que, après le bulletin, il est trop tard pour le ministre de la Justice à demander des candidats bilingues? Après le bulletin, c'est trop tard. Il peut demander un nouveau processus, mais après le bulletin il est trop tard pour le ministre à demander un candidat bilingue.

[Translation]

Madam Speaker, I will ask the question once again. Does the minister not realize that after the bulletin, it is too late for the Minister of Justice to ask for bilingual candidates? After the bulletin, it is too late. He can ask for a new process, but after the bulletin it is too late for the minister to ask for a bilingual candidate.

Mr. Toews: Well, Madam Speaker, I believe I responded to that question yesterday.

Some Honourable Members: Oh, oh.

Madam Speaker: Order, please.

Mr. Chomiak: Madame la présidente, le ministre a donné plutôt beaucoup de versions de la vérité ici à la Chambre, et je voudrais demander seulement une question au ministre. Il est le ministre de la Justice. Il sait qu'après que le processus commence, après le bulletin, il est trop tard pour le ministre à demander quelque chose de différent. Il peut demander un autre processus. Il peut demander quelque chose, mais après le bulletin, après que le processus a commencé, il est trop tard pour le ministre à demander un candidat

bilingue. Je sais qu'on a besoin de candidats bilingues, mais il est trop tard pour le ministre à demander un candidat bilingue après que le processus a commencé.

[Translation]

Madam Speaker, the minister has given many versions of the truth here in the House, and I would like to ask just one question of the minister. He is the Minister of Justice. He knows that once the process begins, once the bulletin is out, it is too late for the minister to ask for something different. He can ask for another process. He can ask for something, but after the bulletin and after the process has begun, it is too late for the minister to ask for a bilingual candidate. I know that we need bilingual candidates, but it is too late for the minister to ask for a bilingual candidate once the process has begun.

Mr. Toews: Madam Speaker, in fact, that was the question that I answered yesterday. I caught it in translation.

Child Poverty Rate Reduction Strategy

Mr. Doug Martindale (Burrows): Madam Speaker, in 1990, 1991 and 1993, Manitoba ranked the highest in the number of children living in poverty. In 1990 and '91, Manitoba ranked the highest for child poverty in two-parent families and are again at a disgraceful all-time high. When our child poverty rates were highest in Canada in 1993, they sat at 24.1 percent and came at the tail end of a recession experienced by all Canadians. Why is it that poverty rates now, when the economy is supposedly booming, are even higher than in 1993, are now at 25.4 percent? What is this minister doing about this disgraceful record, the worst record in Canada in terms of child poverty?

Hon. Bonnie Mitchelson (Minister of Family Services): I thank my honourable friend for that question. I do want to indicate that the statistics that were reported just recently were statistics from 1996. Madam Speaker, I recognize and realize that any level of child poverty is unacceptable. All of the things that we have done since the initiation of welfare reform in May of 1996 have been trying to ensure that people have the opportunity to work and move out of

significant poverty in the welfare system. We know, as a result of welfare reform and Taking Charge! and other initiatives, that we have 1,800 more single parents today in the workforce as a result of that May 1996 initiative.

Madam Speaker, we have also put \$20 million more into this year's budget for children and their families. The announcements I have been making over the last few months with BabyFirst, Earlystart, child care support, an additional \$5 million, and the announcement this morning around adolescent pregnancy are all initiatives to try to address the issue of poverty.

Mr. Martindale: Madam Speaker, this minister is talking about programs and not income disparity. She does not get it. I would like to ask the Minister of Family Services if she believes her own rhetoric, since also in December she said that no level of child poverty is acceptable, or is she going to do something concrete, other than forcing the City of Winnipeg to reduce rates which means that poverty levels in '97 are going to be higher than they were in '96? What is this minister going to do to reduce the unacceptable rate of high levels of child poverty in Manitoba?

Mrs. Mitchelson: I wish the issue was very simple to address, but it is not. It is an extremely complex issue. Madam Speaker, the announcement that was made this morning around trying to reduce the adolescent pregnancy rate in Manitoba should go a long way. We all know that young children having children very often commit themselves to a life of poverty on welfare. We know that no matter what government is in power of any political stripe right across the country, we are never going to pay welfare rates that will meet the low-income cutoff that is set to measure poverty. If, in fact, we do not do something to address the issue of reducing the number of teen pregnancies in Manitoba, we are not going to have any significant impact on the level of poverty.

Mr. Martindale: Could the Minister of Family Services indicate to the 69,000 children in the province of Manitoba what she and her government are willing to do, if anything, just suggest one simple thing that this government is willing to do after being in office for

10 years to reduce the unacceptable rates of poverty? Will they give a CPI increase, a wage supplement, anything to reduce the rate of child poverty in Manitoba?

Mrs. Mitchelson: I will repeat for my honourable friend, because he seems not to understand that we as a government have said many, many times that the best form of social security is a job, Madam Speaker, and as our economy grows and expands and more jobs are created by the private sector in Manitoba, we will have opportunities to train people that have been on welfare to move into the workforce. Our focus is on single parents—[interjection]

Madam Speaker: Order, please. The honourable Minister of Family Services, to complete her response.

Mrs. Mitchelson: Thank you, Madam Speaker. As I indicated earlier, more single parents with young children that have been living in poverty on welfare are moving into the workforce, and the National Child Benefit augments that working income. The child care spaces that we have just announced, and the additional \$5 million for child care will guarantee those individuals the opportunity to ensure their children are looked after while they are working. The Earlystart program, which prepares young children for school and creates the ability for them to learn when they get to school, certainly will break the cycle of poverty and dependence.

Provincial Court Act Judicial Appointment Process

Mr. Kevin Lamoureux (Inkster): Madam Speaker, my question is for the Minister of Justice. It is regarding the list of candidates that was provided from the committee. His comments have been that he was hoping to see a bilingual candidate on that list. Apparently there was not a bilingual candidate. My specific question to the minister is: out of those applicants—he made reference to 66 applications—was he aware that only one of them was in fact bilingual?

* (1440)

Hon. Vic Toews (Minister of Justice and Attorney General): If that, in fact, is true, no, I was not aware of that.

Mr. Lamoureux: Madam Speaker, given the importance of attempting to get at least a bilingual candidate on a list, because of the controversy that has been created, is it now going to be put off indefinitely? What are the government's intentions to deal with that particular issue?

Mr. Toews: Madam Speaker, I know the issue is an important one to our government, and I believe my cabinet colleagues and I will act at the appropriate time to ensure that that need is met.

Mr. Lamoureux: Madam Speaker, am I to take it from the answer that the committee, then, is going to be looking at adding two names, at least two names, or a bilingual candidate to that particular list?

Mr. Toews: I understand from the Chief Judge that that is not the process the committee has adopted.

Poverty Rate Aboriginal Statistics

Mr. Oscar Lathlin (The Pas): Madam Speaker, my questions are directed to the Premier (Mr. Filmon) or the minister of social services. For 10 years now, except during elections, this government has pretended that aboriginal people do not exist or count when it comes to determining the real rate of poverty and the effects of this government's policies on the poor people. What I wanted to ask the Minister of Family Services (Mrs. Mitchelson) is: as disgraceful as the official poverty rate is for this province, can she tell the Assembly what is the actual poverty rate for the people living on reserves who are included in the statistics?

Hon. Bonnie Mitchelson (Minister of Family Services): Madam Speaker, no, I cannot give my honourable friend that information right here in the House today. I do not know whether we even have that kind of information. I know that the welfare system on-reserve is paid by the federal government, and we do not provide welfare assistance on-reserve, but we do

support aboriginal people off-reserve, an issue that the federal government has walked away from, and they really have created a two-tiered system for support for aboriginal people. They give money on-reserve in a significantly different way than they give support to aboriginals off-reserve.

I believe that my honourable friend would share the same point of view as we do because I know we have the leadership from the aboriginal community supportive of our position that the federal government has a moral and a financial responsibility to support aboriginal people both on- and off-reserve, and I would encourage him to join with us as we try to ensure that the federal government lives up to that responsibility.

Social Service Reductions Impact on Aboriginal Communities

Mr. Oscar Lathlin (The Pas): Since the real poverty rate would be more than doubled if true statistics were compiled, I want to ask the minister whether in fact she has any idea of the effects of cuts of, for example, 21 percent in social services, what effects that kind of a cut would have on a place like Lac Brochet, for example, where the cost of living is 88 percent higher than in the city of Winnipeg?

Hon. Bonnie Mitchelson (Minister of Family Services): What I can tell my honourable friend is that we have developed partnerships with aboriginal people and particularly aboriginal youth who want to be a part of the solution to the issues that they face as a result of the cycle of poverty in the aboriginal community. That is not a criticism; it is a fact, it is a reality. We had at our announcement this morning around adolescent pregnancy the people from the aboriginal youth in Winnipeg that have partnered with us to try to determine how they can deal with building self-esteem in young women in the aboriginal community so they do not look to pregnancy and a baby as their only solution. Those youth, aboriginal youth understand the issues, and we are prepared to work with them, with others to ensure that they have the same opportunities as others. We have also partnered with Ma Mawi in Thompson with an aboriginal youth committee to deal with the same issue.

Physician Resources Brandon, Manitoba

Mr. Leonard Evans (Brandon East): Madam Speaker, the current health crisis in the city of Brandon goes well beyond the question of insufficient pediatric services which the government has known about for years. The doctors are expressing their anger, their frustration with the government because of millions of dollars of cuts to the Brandon General Hospital and also the way they have been treated, as a group, unfairly over many years. One existing pediatrician is leaving, another six to seven doctors are leaving this summer. Will the minister acknowledge that this government's policies have led to this sorry and serious situation, and will he tell us exactly just what the government intends to do to correct this situation in the city of Brandon?

Hon. Darren Praznik (Minister of Health): First of all, I will not accept any of the analysis of the member for Brandon East. We are in the middle of negotiations with the Manitoba Medical Association. They indicated very clearly during the winter that pediatric services in the city of Brandon would be one of the areas that they would target in the course of their negotiations. Is the member suggesting today that one should always just band-aid solutions to deal with a particular issue in a community or solve those issues in a real and meaningful way? We have opted to solve these issues in a real and meaningful way for the whole province, and we will continue to do so.

Mr. L. Evans: Well, does the minister realize that long-term doctors are leaving Brandon out of frustration? One doctor, who is leaving after 19 years in the city, according to today's Brandon Sun, has cited for his reasons: disgust for the provincial government, local political inaction, low fees, an extra-heavy workload and high stress. He says: I have been frustrated with Manitoba Health for a couple of years, and what has been happening in the past six months is just accumulation. He is off to Alberta for the sake of his own mental health.

Madam Speaker, when is this government going to get serious and address the medical deterioration in the city of Brandon?

Mr. Praznik: Madam Speaker, it is curious to note that the member for Brandon East—and I have seen the same article—did not reference the fact that this position can earn more dollars in Alberta, which has a greater capacity to pay physicians, and that in fact has been an area with which Manitoba has been competing for doctors.

But I can tell the member, I reiterate to him, as well, that we have approved funding for four contract pediatric positions in Brandon with a contract range of between \$185,000 and \$205,000 per year, which is some \$30,000 more per annum than the average billing of pediatricians in Winnipeg. Is the member telling us that that should be \$215,000 or \$250,000? Is it New Democratic policy simply to put a lot more money into this particular area?

* (1450)

Health Care System Nursing Shortage

Mr. Dave Chomiak (Kildonan): Madam Speaker, my question is for the Minister of Health.

Not only has the Minister of Health and the department ad hocked the whole situation of doctors in the province even though they had a process in place for five years that they disregarded, but it is ironic that this week is declared National Nursing Week by a minister when—in hospital after hospital, facility after facility, and places like Pine Falls where there have been 30 cases of reported problems in the hospitals because of the lack of nursing service—this government has failed to address the needs of nurses, dismissed the report of several weeks ago by nurses and failed to address the nursing and health care hospital needs of patients in the hospital.

What is the government proposing to do with respect to nurses in the hospital, and will they consider bridge funding to deal with the situation to hire more nurses in our institutions?

Hon. Darren Praznik (Minister of Health): Madam Speaker, I think it is always important in discussing health care that we do attempt to ascertain facts.

With respect to the Pine Falls situation, there was an article in the local paper in which the nurses' union local made the claim that some 50 percent of the beds at Pine Falls were to be closed, et cetera. In speaking with the management of the regional health authority, they expressed a great deal of concern about those statements by the local union, Manitoba Nurses' Union local in Pine Falls, because the information simply was not accurate. The hospital has proceeded to fill a number of vacancies that they had, and actually, as of last weekend when I spoke with them, were quite surprised at the statements that were coming from that particular local, because they did not reflect the true situation in the hospital.

Mr. Chomiak: Madam Speaker, is it not symptomatic of this government that they did not listen to the nurses' report that came out several weeks ago that illustrated serious nursing shortages throughout the province, alarming nursing shortages in Pine Falls, in the minister's own constituency—he is disregarding the comments of people who work in those institutions—and is it not a solution of this government that has let go 1,500 health care workers—that they should bridge fund employees in those institutions to allow patients to get the care they deserve and not be disregarded by the minister trying to pick political fights with individuals and not recognize there is a serious problem?

Mr. Praznik: Madam Speaker, the Pine Falls hospital is funded on the same basis as other rural hospitals, on its use. As I have indicated, I spoke with the regional health authority this weekend, and they expressed to me, actually in writing, their disappointment at the position taken by the Manitoba Nurses' Union local in Pine Falls.

I can tell the member that there are problems in nursing across the province; I have not denied that, but what is absolutely fundamental and important is that we get an accurate handle on the issues. They vary from place to place, and many of those issues quite frankly have been exaggerated over the years, going right back to the days of Larry Desjardins of the New Democratic Party government. I have shared with members clippings from that time. Vera Chernecki and the Manitoba Nurses' Union made exactly the same claims and they did not prove to be true then, and they often do not prove to be true now.

Minister of Justice Resignation Request

Mr. Steve Ashton (Thompson): All of us in this Legislature, Madam Speaker, have a very hefty responsibility to the people of Manitoba. No one has more responsibility than the Minister of Justice. If there is one position in this House that has to be above and beyond all question, it is the position of the Minister of Justice. We are now in a situation where, because of the minister's action in the judge appointment process, the direct accusations of rigging the process, we now see the Law Society, the Bar Association, the Chief Judge expressing concerns and in some cases very specific concerns about their lack of confidence in this minister.

This minister certainly has not got the confidence of the opposition. Will he understand that he cannot continue as Minister of Justice without the full faith of the people I referenced and the people of Manitoba? The only way to have any hope of restoring that is to resign, to have an independent inquiry, and let that independent inquiry decide on whether the minister did anything wrong, as has been made by the accusations in this House.

Hon. Vic Toews (Minister of Justice and Attorney General): Well, Madam Speaker, there is a very quick process that the member can take advantage of and through the law courts. What in fact—[interjection]

Madam Speaker: Order, please.

Mr. Toews: If the issue is one of process, which the member indicates that is his concern, that the process that was followed was not correct, there are legal remedies that can quickly identify whether that in fact is accurate, and yet the member chooses not to take those remedies, rather chooses to engage in a political debate, and that is essentially what this is, Madam Speaker.

Mr. Ashton: Why will this minister not recognize that to say, as he is saying now, that the only remedy is for somebody to take him to court—will he not recognize that the real remedy, Madam Speaker, that we want from this minister is his resignation as the first step in

terms of restoring confidence in our justice system in this province?

Mr. Toews: Well, again, now we see exactly what he wants. He does not want an inquiry; he wants a resignation.

Mr. Ashton: Madam Speaker, when will this minister stop playing those kinds of games? We have said he should resign, then have the independent inquiry. Why will he not do what the Justice minister in Ontario has done on an accusation that is very similar? Why will he not do the proper thing, restore confidence in our justice system by resigning and then have the independent inquiry to his actions, which we believe were an attempt to rate the selection of judges in this province?

Mr. Toews: Madam Speaker, I am already quite aware of what their view of this issue is, but what I have not heard from them is on what basis have they justified subverting the intention of the Legislature by publicly naming names in this forum, and that is disgusting.

Mr. Ashton: On a new question, Madam Speaker. Once again this minister shows just how much he does not get what the concern is. He is now saying that we in the opposition should not question his inappropriate action. Is that what he is saying? Why will he not understand that it is not just what he has said to us in terms of the opposition but the fact that he no longer has the confidence of people in the legal system and the public of Manitoba? He has no credibility. Why will he not resign?

Mr. Toews: If there is any doubt in the mind of the member that I question their right to ask questions, that is not correct. I do believe they have that right.

Mr. Ashton: Then why is this minister clinging to this untenable position? How does he expect to function as Minister of Justice when he does not have the confidence now—not only of many people in terms of the public of Manitoba but many key people in the judicial system? How can he continue with the dispute that is going on with the Law Association, the Bar Association, the Chief Judge? Why will he not do the appropriate thing and resign?

Mr. Toews: Madam Speaker, I believe I have answered that question.

Mr. Ashton: I want to ask the minister, then, what does it take? I mean, how much longer is he going to cling to this position? What does it take for this Minister of Justice, and why is he in such a different situation from the Minister of Justice in Ontario with his Conservative colleagues who did the right thing, who resigned and now is putting the whole issue to an independent investigation? Is he saying there is a different standard of ethics and morality in this province than Ontario?

Mr. Toews: Madam Speaker, one thing that I do know is that the law applies on both sides of the House. I have given an explanation, but the members opposite have not explained why they choose to ignore certain aspects of the law that they indicate they are defending.

Mr. Ashton: On a final supplementary, Madam Speaker.

Madam Speaker: Order, please. I believe the honourable member has asked a main question and two supplementaries. The honourable member, on a new question.

Mr. Ashton: Once again, Madam Speaker, to the Minister of Justice. I am just wondering what advantage the minister sees to taking his position that we have seen very clearly in Question Period today, that he is basically saying to anyone in this province, whether it be from the Law Society, the Bar Association, the Chief Judge, or any citizen, that the only thing he is accountable to is being sued in court, that he does not care what kinds of difficulties he has put himself in as Minister of Justice. He will cling to that position no matter what. Why will he not do the right thing and resign, clear the air, give us the independent inquiry that we all want in this Legislature?

* (1500)

Mr. Toews: Madam Speaker, I did not indicate that in fact that was the only remedy. He indicated that certain individuals have raised certain concerns. One of the

things that I find puzzling is—given that both of those individuals who may have raised concerns were never a part of any conversation that I had on this issue—why they would not have come to me and asked me what my version of the events is. If these individuals want to talk to me about it, I would be more than happy to sit down and talk to them. That is one remedy that could be very easily done as well.

Minister of Justice Resignation Request

Mr. Dave Chomiak (Kildonan): Madam Speaker, my question is to the Minister of Justice. The head of the Law Society has contradicted the minister. The head of the Bar Association has contradicted the minister. There have been newspaper reports that indicate contradictory statements to what the minister has said. The minister himself has contradicted himself about the process that took place with regard to the appointment of judges in this Legislature.

Why will the minister not realize that the integrity of the office is more important than one person, the integrity of the office and the rule of law is more important than the minister's own ego and the minister's own position, and will the minister not do the right thing, as Mr. Parasiuk did before, step aside, allow an independent investigation of the process and the comments and what went on and allow the air to be cleared so justice can be seen to be done in the province of Manitoba?

Hon. Vic Toews (Minister of Justice and Attorney General): Well, Madam Speaker, I understand that that was the matter of privilege. That was raised, and that is under advisement by the Speaker.

Mr. Chomiak: Madam Speaker, a supplementary. When will the minister realize that he cannot hide behind legalities of calling for certiorari? He cannot hide behind legalities. He has lost the confidence of this Legislature. He has lost the confidence of the people in the legal community. There is enough—

Some Honourable Members: Oh, oh.

Madam Speaker: Order, please.

Mr. Chomiak: My question to the minister is: as a man of integrity and a man who understands that the rule of law is more paramount than one individual, will he not do the right thing, step aside—he can come back if he is cleared judicially—do the right thing for the people and the judicial process of Manitoba and resign and allow for an independent inquiry of this because it is so serious, Madam Speaker? We cannot continue to go on hiding behind legalities and playing games in this Legislature by the minister.

Mr. Toews: Well, Madam Speaker, I thank the member for his advice.

Madam Speaker: Time for Oral Questions has expired.

MEMBERS' STATEMENTS

Elias Woodworking

Mr. Peter Dyck (Pembina): Madam Speaker, this morning I had the pleasure to attend, along with the Minister of Rural Development (Mr. Derkach) and Mayor John Krahn, the announcement of a second Grow Bond issue for Elias Woodworking and Manufacturing Limited.

I remember when in 1983 a new manufacturer of custom-made furniture, cabinet doors, mouldings and other wood products opened its doors in Winkler's industrial park. Growing public recognition of their quality products, a willingness to tackle new markets, and an approximately \$400,000 Province of Manitoba Grow Bond, resulted in a 6,000 square foot addition to their facility several years ago. However, the management team knew that further growth was necessary and achievable.

The Manitoba Grow Bonds Program is a proud supporter of Elias Woodworking, and I have every confidence that we have not seen the last expansion of this family business. Elias Woodworking does much more than produce diverse and quality products. They provide diverse and quality employment and opportunities for approximately 70 individuals.

Some Honourable Members: Oh, oh.

Madam Speaker: Order, please. I wonder if I might ask for the co-operation of all honourable members who are carrying on private conversations to do so either very quietly or outside the Chamber so that the honourable member for Pembina may be heard.

Mr. Dyck: Thank you, Madam Speaker. I understand that the proposed \$1.6-million expansion of 40,000 square feet will add another 40 additional jobs. Elias Woodworking and businesses like this are the future of rural Manitoba. By diversifying the products we offer and adding value to them before they reach the customer, we ensure a strong and balanced economy. Our government is proud to play a role in bringing local investors together with community-based industries.

I would like to conclude by offering my congratulations on behalf of all honourable members to the management team of John, Ralph and Doug Fehr, as well as Trevor Wiebe and Angela Loewen. I very much look forward to the anticipated ribbon-cutting of the expanded project in December of this year. Thank you.

Manitoba Day

Ms. Diane McGifford (Osborne): Madam Speaker, today, May 12, 1998, marks the 128th anniversary of our province. On May 12, 1870, the Manitoba Act created the province of Manitoba, and on May 12, 1966, Manitoba's official flag was dedicated and unfurled for the first time. Subsequently, Premier Howard Pawley designated May 12 as Manitoba Day.

Yet, today, we do well to remember our larger history, to remember the aboriginal members of this Legislature and aboriginal people throughout our province who have had at least 12,000 years of Manitoba history of which many of us know very little. We might share in this history through formal study or perhaps by hearing aboriginal elders and joining in celebrations. We might imaginatively recreate the past, viewing it through the mind's eye. We might today as well dwell on the ways in which the present can

reconstruct the past and recast our history, living in the present and with an awareness of the ways in which colonialism and racism have distorted aboriginal traditions and history.

We have a duty to cut through these distortions, revision the past and take a clearer, fairer, more honest and respectful version to our schools and universities. We have the same duty to ethnic groups and immigrants who have come to our province to make better lives for themselves and their children and who, at the same time, have made a better province for all Manitobans. Because of all our people, Manitobans can boast of economic prosperity, social diversity and cultural richness.

A year ago the defining moment in our history was the flood of the century, an event that tied us to the past, to 1826 and 1950 and other years lost to the past because they took place before our records were written down.

As we celebrate our birthday, we are really celebrating Manitoba people, remembering the past, living in the present and dreaming the future. We are linked together through time and space, living our stories, formulating the myths that tell us who we are.

Mrs. Shirley Render (St. Vital): Madam Speaker, on behalf of the Minister of Culture, Heritage and Citizenship (Mrs. Vodrey), it is my privilege to ask all honourable members to join me today in observing Manitoba Day, the 128th birthday of the province of Manitoba.

A key element of Manitoba's 128 years of success has been our acceptance of immigrants and a profound respect for their ability to contribute to the advancement and enhancement of the quality of life in the province.

Earlier this morning, this tradition of acceptance was again demonstrated in a special Citizenship Court honouring Manitoba Day. Thirty-nine men and women were sworn in as Canadian citizens, allowing them to follow in the footsteps of countless other immigrants who have come to Canada and to Manitoba in search of a new beginning.

Later this evening, the Manitoba Legislative Building will be the site of the 1998 Prix Manitoba Award for heritage. This prestigious award will be presented to several Manitobans who have distinguished themselves by making outstanding contributions to the preservation, promotion and exploration of our province's heritage.

Madam Speaker, in recognition of Manitoba's 128th birthday, I ask honourable members of this House to join the minister and me in wishing the people of Manitoba a very happy Manitoba Day.

Philippines Election

Mr. Conrad Santos (Broadway): Madam Speaker, yesterday, May 11, 1998, millions and millions of Filipino voters participated in a general election. There were 17,000 positions contested and over a hundred thousand candidates at all levels of government, from the local village up to the highest office in the land.

The population of the Philippines is twice the number of people in the entire of Canada, and they occupy only a territory no bigger than Prince Edward Island.

The election was of great interest here in Manitoba because of many Filipino-Canadians who settled here in our province, and therefore they sent a Free Press correspondent, Dan Lett, to the Philippines who had written so many thoughtful columns about the election situation in the Philippines.

* (1510)

Regrettably, there might have been occasional few sporadic acts of violence in the pre-election period, but the election day itself was done in a peaceful and orderly manner. This is evidence to the maturing democracy in the Philippines which today, 1998, achieved its 100th year of existence as an independent country.

Of all the Filipinos who are eligible to vote, each voter has a direct vote over their own president. They can have a say who will their president be. We therefore congratulate everyone who participated by running for office and for exercising their privilege of voting in that country, in the Philippines. Thank you.

Dessert Theatre—Sisler High School

Mr. Kevin Lamoureux (Inkster): Madam Speaker, I would like to recognize the efforts of the ESL students at Sisler High School on the occasion of their third annual Dessert Theatre. The production was a great success, and I congratulate the students on a job well done. The Dessert Theatre gives students of many different ethnic backgrounds the opportunity to foster unity by working with each other in order to produce their cultural presentation.

I would also like to recognize in particular the efforts of Mrs. Carole Grier, the ESL department head at Sisler High School, for her role in working with the students to make Dessert Theatre a success and something that the community can be rightly proud of. Thank you.

Madam Speaker: For clarification for the honourable member for Transcona (Mr. Reid), today's rotation for members' statements was two for government, two for the official opposition and one for the independent members. Wednesday is the day that the official opposition has three member's statements.

ORDERS OF THE DAY

House Business

Hon. James McCrae (Government House Leader): Madam Speaker, just to share with honourable members my thinking for the moment, this is in conversations with various members. I expect that today we will move to a review of the Estimates.

Tomorrow, there will be a number of bills to introduce for second reading, and we could proceed after that, should it be the desire of honourable members, to further discussion of bills or Estimates, and we will see how that goes tomorrow.

I expect on Thursday morning to have a small number of bills to see brought forward for second reading, and it should not take very long on Thursday morning, and then we could proceed to Estimates after that. That is the way I see it happening at the moment.

* * *

Mr. McCrae: I move, seconded by the honourable Minister of Education and Training (Mrs. McIntosh), that Madam Speaker do now leave the Chair and the House resolve itself into a committee to consider of the Supply to be granted to Her Majesty.

Motion agreed to.

**COMMITTEE OF SUPPLY
(Concurrent Sections)**

FAMILY SERVICES

The Acting Chairperson (Mr. Tweed): Will the Committee of Supply please come to order. This afternoon, this section of the Committee of Supply meeting in Room 254 will resume consideration of the Estimates of the Department of Family Services. When the committee last sat it had been considering item 9.4. Child and Family Services (c) Child Day Care on page 57 of the Estimates book.

9.4. Child and Family Services (c) Child Day Care
(1) Salaries and Employee Benefits \$2,097,400—pass;
(2) Other Expenditures \$474,900—pass; (3) Financial Assistance and Grants \$45,689. Is that right? \$45,689,000.

Mr. Doug Martindale (Burrows): Mr. Chairperson, perhaps this process is educational for all MLAs so that now all the people present here know that the budget for Child Day Care is \$45 million.

The Acting Chairperson (Mr. Tweed): \$45,689,000. The item is accordingly passed.

Mr. Chairperson in the Chair

Mr. Chairperson: Resolution 9.4: RESOLVED that there be granted to Her Majesty a sum not exceeding \$187,020,400 for Child and Family Services for the fiscal year ending the 31st day of March, 1999.

Chairperson's Ruling

Mr. Chairperson (Gerry McAlpine): I have a ruling for Committee of Supply, Room 254.

On May 11, 1998, the Acting Chairperson took under advisement a point of order raised by the honourable member for Burrows (Mr. Martindale).

It concerned the response of the honourable Minister of Family Services (Mrs. Mitchelson) to a question asked by the member for Burrows. The member for Burrows had asked the minister a question regarding the timing of fire inspections at the Three Bears Day Care in Pine Falls, Manitoba. The honourable Minister of Family Services advised that she would not discuss the matter as criminal charges may be pending. When speaking to the point of order, the member for Burrows asked that, since the sub judice convention is not a rule, the Chairperson ask the minister to answer the question posed.

Beauchesne does contain several references to the sub judice convention and there have been several Speaker's rulings in Manitoba that have considered its application. Beauchesne Citation 505 states "members are expected to refrain from discussing matters that are before the courts or tribunals which are courts of record. The purpose of this sub judice convention is to protect the parties in a case awaiting or undergoing trial and persons who stand to be affected by the outcome of a judicial inquiry. It is a voluntary restraint imposed by the House upon itself in the interest of justice and fair play." Beauchesne Citation 506.(1) states that "the sub judice convention has been applied consistently in criminal cases."

* (1530)

I would draw to the attention of the committee that Speaker Rocan ruled in 1992 that while the sub judice convention is a voluntary restraint and is not a rule, it does apply if a matter involves a criminal issue. I would also draw to the attention of the committee that Speaker Walding ruled in 1983 that "Members will note that Citation 339, that is from Beauchesne, 4th Edition, makes it clear that the responsibility of whether questions are proper and are to be asked and answered lies principally with the members involved, the overriding principle in this case clearly being that the members should not make statements which may prejudice the case. The responsibility therefore is clearly with the honourable minister wishing to answer

the question and with the minister to whom it is addressed.”

Speaker Walding's ruling was cited in a subsequent ruling in 1993. Accordingly, I would rule that the honourable member for Burrows (Mr. Martindale) does not have a point of order and that the minister may refuse to answer a question if she feels a response would prejudice this matter.

* * *

The last item on the committee for Family Services to be considered is the Estimates for the Department of Family Services item 9.1. Administration and Finance (a) Minister's Salary. At this point we request that the minister's staff leave the table for the consideration of this item.

Item 9.1. Administration and Finance (a) Minister's Salary \$26,300.

Mr. Martindale: I would like to correct a figure in my opening statement in Family Services Estimates regarding the number of individuals receiving food from Winnipeg Harvest. The correct figure should have been shown as 34,600 individuals.

Mr. Chairperson: 9.1.(a) Minister's Salary \$26,300—pass.

Resolution 9.1: RESOLVED that there be granted to Her Majesty a sum not exceeding—[interjection] Does the minister wish to make a final statement?

Hon. Bonnie Mitchelson (Minister of Family Services): Yes, Mr. Chairperson. I just want to thank my honourable friend for passing my salary and showing some confidence in my ability to deal with the very significant issues that we have to deal with in the Department of Family Services, but I also do want to thank those Chairs that have supported this committee, the pages, and the staff of both Hansard and the Clerk's office for the good job they have done. Also I would like to thank staff in the Department of Family Services who have certainly helped implement the policies of our government in a very professional and meaningful way to ensure that we have lived up to our commitments that we have made.

We have worked in a very expeditious way to try to deal with many of the most needy citizens in our community and our Manitoba society. So with those comments I would just like to thank my honourable critic too for allowing this process to come to a positive conclusion. Thanks, Mr. Chairperson.

Mr. Chairperson: We thank the honourable minister for those comments.

Resolution 9.1: RESOLVED that there be granted to Her Majesty a sum not exceeding \$7,526,600 for Family Services, Administration and Finance, for the fiscal year ending the 31st day of March, 1999.

This completes the Estimates of the Department of Family Services. The next set of Estimates will be the consideration of this section of the Committee of Supply of the Estimates for the Department of Justice. Shall we briefly recess to allow the minister and the critics the opportunity to prepare for the commencement of the next set of Estimates? [Agreed]

JUSTICE

The Acting Chairperson (Mervin Tweed): 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 Justice. Does the honourable Minister of Justice have an opening statement?

Hon. Vic Toews (Minister of Justice and Attorney General): Yes, I do. Just on a matter of clarification or a point of order, am I allowed 60 minutes then? [interjection] I believe I will have enough material to speak for 60 minutes.

On behalf of Manitoba Justice, it is my pleasure to present the department's Estimates of Expenditure for the fiscal year 1998 to 1999 to this committee.

My department administers a system of justice that is committed to promoting a safe, just and peaceful society based on democratic principles, the law and respect for rights and freedoms.

Just on another point, is my staff entitled to come here now or after the opening?

The Acting Chairperson (Mr. Tweed): Staff will be invited up after the minister's presentation.

Mr. Toews: Thank you. I was at the law and respect for rights and freedoms.

It is a very broad responsibility requiring us to deliver a diverse range of services and programs to ensure all Manitobans have an open, accessible system of justice that treats everyone fairly.

The activities of Manitoba Justice are also a key component in our government's endeavours to work in partnership with Manitobans to improve the quality of life in all communities.

To meet these many responsibilities to the people of Manitoba, Justice expenditures will be increased by \$11.5 million in this fiscal year, and an additional 54 full-time equivalent positions will be added to our staffing component. The Department of Government Services has also earmarked almost \$8.4 million to continue the process of upgrading Manitoba's correctional institutions in the upcoming year.

The increase in monies and staff will assist the department to enhance public safety in Manitoba. These additional resources will be spread over a range of program areas, including increases for the RCMP, domestic violence, providing comprehensive support and services for victims, enhancement of corrections services, improved court security and services, and modernization of the department's administrative infrastructure.

Last year, I informed this committee that the RCMP had been authorized to proceed with a major upgrade to their telecommunications network within the province. This upgrade will provide centralized dispatching, eliminate areas of poor radio reception and by using new technology, prevent eavesdropping on police communications. This initiative will improve response times in rural Manitoba, provide more reliable radio links for RCMP members in the field and will reduce the opportunity for criminals to evade apprehension by monitoring police radio transmissions. I have been advised that the new system is expected to be implemented across southern Manitoba by the end of

1998 and that expansion into northern Manitoba should be completed during 1999.

* (1610)

We are also supporting other RCMP modernization activities such as replacing older breathalyzer units and installing closed-circuit television cameras in police vehicles. Many police agencies across North America have proven that video records provide invaluable evidence in criminal matters by recording the actions and demeanour of the accused and documenting the circumstances of an arrest.

Mr. Chairperson in the Chair

Manitoba Justice has provided the Canadian police research centre with funding to facilitate forensic entomology research in Manitoba. Forensic entomology is the most reliable method for determining time of death after 72 hours or more have elapsed, but its use requires establishment of a database of information specific to Manitoba.

On the recommendation of Manitoba police forces, we have used over \$50,000 in recoveries under proceeds of crime legislation to co-ordinate and input data into the Violent Crime Linkage Analysis System commonly called VCLAS. This computer-assisted tracking system helps to identify crimes of violence committed by serial offenders locally, provincially, nationally, or even internationally. Specialists perform in-depth analysis of various factors such as victimology, suspect description, forensic information, modus operandi, and behaviours to detect cases which may be linked to the same offender. VCLAS is a powerful tool for quickly tracking and apprehending serial offenders including those who commit crimes in more than one jurisdiction.

We are continuing our support to the Winnipeg Police Service. In the past year approximately \$30,000 in grants were provided to assist with police officer training and establishing a curfew registry for young offenders. In addition to this funding, Manitoba Justice will continue to provide \$2 million per year to fund 40 additional Winnipeg police officers. The Chief of Winnipeg Police Service, in his annual report to the province, indicated that eight of these officers are deployed to the street gang unit. Twenty are assigned

to neighbourhood street patrol and the remaining 12 are deployed to the community service centres.

The government also continues to fund the RCMP Auxiliary Constable Program which allows 140 citizen volunteers to accompany RCMP officers in the performance of their duties. The insight gained assists communities to establish a more effective partnership with their police service. Dealing effectively with crime requires the involvement and support of all levels of government, community organizations, and of individual members,

The principle of community involvement underlies many existing Justice programs and is a key factor in most of the new initiatives the department is implementing or developing for the future. With a growing number of volunteers, community groups and agencies providing crime prevention and related activities in Manitoba, we now need to establish a central co-ordination for receiving and distributing information. Therefore, additional staffing has been provided in these Estimates to the Public Safety Branch to fill this important role.

A recent example of the value of central co-ordination is the development of the Citizens on Patrol concept. It started as a groundswell at the community level, has expanded community by community across rural Manitoba, and is now into the city of Winnipeg. In every community, the establishment of Citizens on Patrol programs have resulted in drastic crime reduction. I know the Minister of Labour (Mr. Gilleshammer) in his area is well familiar with the very good job that citizens on patrol groups are doing in his community. I understand that in his area there is at least one in Sandy Lake, another in Erickson, another in Neepawa and in Minnedosa. One can track the success of these groups in the Minister of Labour's area simply by looking at the newspaper reports. This tremendous input of volunteers in his communities is certainly making a difference, a positive difference, in those communities, assisting the police and reducing crime. I know the Minister of Labour has been specifically concerned about these projects and has been a strong proponent of them, and I want to thank him for allowing the Justice department to establish these partnerships in his area specifically.

I know the member for Turtle Mountain (Mr. Tweed) as well has other Citizens on Patrol programs. I had occasion to meet with one such group from Baldur, Manitoba. Again, the member for Turtle Mountain advises me that these citizens are doing a tremendous service to their community in assisting the police and, indeed, keeping their community safer.

Now, I specifically indicate these two members because they are here at this committee and I want to thank them for their assistance.

Provincial support is provided in these organizations out of crime prevention funds to assist with start-up costs such as signage, cellular telephones and flashlights; a simple step but one having a very significant impact. Central co-ordination will promote the success of these agencies across the province, showing concerned citizens how they should be involved at the community level to reduce crime.

The Public Safety branch will monitor crime trends and major crime activities to plan, develop and co-ordinate crime prevention strategies for both urban and rural organizations. They will also co-ordinate community access to the funding recently announced by the federal government under the Safer Communities Strategy.

Through the Urban Safety program of the Winnipeg Development Agreement, the government has supported establishment of urban sports camps. One camp is already operational, and it is anticipated that another one will be operational shortly, and another site will be operational, as well, in 1998, for a total of three sites.

The first site at Turtle Island Community Centre in north Winnipeg has attracted 1,100 individual youth per month. They participate in a variety of programs including sports, arts and crafts and cultural teachings. We are confident that these positive activities will make a favourable long-term impact on the development of the youth in this area.

Other Urban Safety program projects, such as the Downtown BIZ Patrol and the CounterAction program of the Winnipeg Police Service, show that service

providers, given an opportunity to be innovative, can produce very positive results.

* (1620)

The Prairie Research Associates' study of victims services provided 15 recommendations to steer future delivery of victims services in the province. Perhaps I should read all 15 of those recommendations, and I know one of my staff will provide those recommendations to me before the end of my speech, so I can read those into the record if I do not have them in the speech here.

In addition, last summer's report by Justice Schulman on the deaths of Rhonda and Roy Lavoie provided a total of 91 recommendations on family violence, including nine recommendations on the Women's Advocacy Program. Again, if I have an opportunity in my opening statement later on, I would like to refer to those recommendations and some of the progress we have made in that respect. I believe I will be getting on to it shortly, but I do need to discuss in some detail those recommendations.

To address these recommendations in the Lavoie report, the government has introduced new victims legislation, an act to provide more comprehensive civil remedies for stalking and domestic violence situations. We have set up a Lavoie report implementation committee to monitor progress on addressing Justice Schulman's recommendations. To implement those under the department's jurisdiction, we have provided 24 full-time staff and \$1.2 million in increased resources. Some notable measures already implemented include the addition of four Crowns to the Family Violence prosecutions unit and the purchase of cameras for Winnipeg Police Service officers to videotape victims statements in serious or historically violent situations. The domestic violence information line is now operational to provide victims with current information on the release conditions of the offender.

We will improve services to victims of domestic violence through the addition of resources to the Women's Advocacy Program. Areas of Manitoba not currently receiving any victims services will benefit from the expansion of police-based victims services

programs funded by an increase in victims services grants.

The department will not only have greater capacity to grant funds for victim services but will establish and develop training manuals and courses for volunteers and victim service providers.

The department continues to fund services to older victims through Age and Opportunity. We are continuing to support restorative justice programs within Winnipeg and Brandon which attempt to find suitable resolutions to specific concerns of victims. Ongoing support is also provided for the victim-offender mediation program. Operated by Mediation Services, this program is recognized as one of the leading programs in North America.

The Association for Community Living received funding during 1997-1998 fiscal year to examine how vulnerable persons can better proceed through the justice system. The Public Safety Branch participated in a survey of all service providers so the association could get a better grasp of how their clients deal with the justice system. The Victims First cellular program, in effect for approximately one year now, has proven to be a valuable tool for victims of stalking or domestic violence. This program provides a special, free cellular phone to victims which connects them directly to the city's 911 emergency centre if they are threatened. Manitoba was the first jurisdiction in Canada to implement this program, and it has now been emulated by Ontario and British Columbia. We have also had several inquiries from other provinces for our protocol on the development of this unique program.

One of the Prairie Research recommendations was to amalgamate the criminal injuries program into the Department of Justice. Under proposed legislation, we will amalgamate all victim services programs under one branch enabling easier access by victims throughout the province. To facilitate this process, in February of 1998 the Criminal Injuries Compensation offices were physically relocated to the Woodsworth Building. We are changing the focus of criminal injuries compensation from a social safety net program to a short-term crisis initiative consistent with the recommendations of the Prairie Research Associates.

As victim services expand across the province, this program will provide victims of crime, regardless of their location, with more timely, efficient, and equitable access to the compensation due to them.

The federal government of Canada recently announced the proclamation of the new federal act, Bill C-68, will occur on October 1, 1998. This has resulted in final negotiations being conducted with the federal government for the transfer of the firearms program to federal authority. It is this government's position that Manitoba will not designate a minister to be responsible for the Firearms Act as it will exist when C-68 is proclaimed.

This is an eventuality contemplated by Bill C-68. The effect of Manitoba not designating a minister to be responsible for the Firearms Act leaves the administration of the act with the federal Justice minister.

Although we do not agree with the registration under the Firearms Act, as we believe that it is simply bad law and bad policy, our department will work with Ottawa to provide a seamless transition of firearms responsibilities to the federal government, and to ensure that in the interim Manitobans will continue to have the opportunity to obtain firearms acquisition certificates under the legislation currently in force.

In this respect as well, I want to indicate that we will continue to work with the federal government to ensure that in terms of issues of safety the transition does not create any difficulties for the people of Manitoba. We are committed to that.

Upgrading of Manitoba correctional facilities is continuing with safety and security upgrades now completed at Headingley Correctional Institution. The first phase of renovations to the female and youth units at The Pas Correctional Institution is also finished. In the coming fiscal year, safety and security upgrading will continue at Brandon Correctional Institution, Manitoba Youth Centre and The Pas.

Citizens who may have concerns in respect of any particular institution have also been met with members of my staff, and we will continue to address any

concerns that citizens may have in respect of safety and security relative to our institutions.

Institutional emergency response teams in those institutions have been re-equipped and an all-female support team has been established to deal with disturbances in female custody units. A survey tool is now in use to monitor inmate mood and is helping officials to anticipate and diffuse potentially dangerous situations. A streamlined reporting process now ensures that information on incidents is brought immediately to the attention of senior division management.

* (1630)

We have tabled a new Corrections Act and are undertaking a major planning effort to develop a five-year strategic plan for the Corrections Division. This plan will include human resource and organizational components. In response to the Hughes report recommendations, a new integrated offender management computer system is being implemented to provide complete and current offender information to all division staff on an around-the-clock basis.

We will construct a 20-bed special needs unit at the Agassiz Youth Centre to provide safe, secure accommodation for in-custody youth needing corrective stabilization for short periods of time. We have also completed the design for a new 78-bed adult maximum security unit at Headingley and site preparation is expected to commence this year.

For youth preparing to re-enter the community after a period of custody and for selected youth on probation, a program of intensive 24-hour-a-day, seven-day-per-week supervision is being expanded. Piloted in 1997-1998, this initiative has proven to be effective. Young offenders subjected to this high level of monitoring and management have displayed a remarkably low rate of reoffending. A similar intensive supervision program is also being instituted for selected youth awaiting trial; \$885,000 in additional funding is being provided for these two initiatives.

Child and Family Services staff are now working in partnership with Community Corrections on after-hours telephone monitoring of youths who have curfew

conditions imposed as a part of their conditional sentence. A school Links program in which a partnership of seven Winnipeg child service agencies provides co-ordinated monitoring of identified high risk youth in the community is also in place.

Justice committees continue to be important partners in the effort to achieve safer communities. I want to say specifically, in respect of justice committees, of how pleased I am with their progress and their contribution to making youth more accountable in our communities. The youth justice committees, unlike our court system, I think offers a very unique opportunity for members of the community to face an offender and, more importantly, to have the offender face these community members. So often, victims simply want to know why a particular act was done. These committees, already in excess of 75—I believe there are 78 in our province now—bring 600 to 700 volunteers to this effort, and they are diverting numerous children from our regular court system. This is a remarkable achievement, it is a remarkable development, and the very low recidivism rate, in fact, demonstrates that community involvement in justice issues is necessary and effective.

On this point, I might note that Manitoba recently announced a pilot project to use this mechanism to address shortcomings in the federal Young Offenders Act. Justice committees will now accept referrals of children under 12 years of age under this proposal if the child has acknowledged guilt and if the child's parents consent to the referral. This is again addressing a shortcoming of the Young Offenders Act, and I have had opportunity to discuss this proposal with the member for Inkster (Mr. Lamoureux) who first brought the idea to my attention. The member for Inkster has worked diligently with departmental officials to ensure that the program is implemented. Although it will be started on a pilot project and that not all committees will immediately be involved in this process, we hope that the success with a certain number of these committees and this referral system will in fact lead to a further expansion.

Indeed, ultimately, it is my hope that these justice committees can also deal on a more regular basis with adults to be diverted out of the regular court system. Again, the rationale is the same. Offenders who

commit offences simply do not commit those offences against a nameless corporation or a nameless victim, they commit those offences against real people living in our communities. Our communities deserve a real chance to speak with an offender, to deal with an offender on a face-to-face basis. I know that some committees have already been experimenting with the introduction of adult diversion, and I want to commend the initiative of those committees.

The department is also implementing a multifaceted initiative to reduce prostitution in the city of Winnipeg. The Corrections division, Criminal Justice division, Winnipeg Police Service and the Salvation Army are co-operating on this strategy. It includes legislative amendments to allow impoundment of vehicles used in solicitation and other prostitution-related offences. This legislation was in fact announced recently by the government. A john school and services to assist offenders to escape from a life of prostitution, including transitional accommodation, programming tailored specifically for either youth or adult prostitutes, and the outward-bound educational program also is a part of this initiative.

I might just indicate that in respect of the john school, a number of those schools have occurred. From all reports we hear, the initial success seems to be good. Therefore, we will continue on that particular endeavour. The legislative announcements relating to the impoundment of vehicles used in prostitution-related offences was, in fact, a government election commitment in 1995. I am very pleased that we are bringing in that legislation, which is essentially step 2 of the legislation in respect of prostitution. The first step of course was the use of the john school.

* (1640)

As a result of the civil justice task force a number of initiatives are underway in the courts to streamline administrative processes. In the Family Division of the Court of Queen's Bench, a project is underway that will ultimately allow family court orders to be issued immediately after pronouncement of judgment in the courtroom. The first phase of this project was the introduction of standard order clauses, which came into effect in March of this year. Electronic filing of court requests, production of automated orders in the courtroom, and electronic transfers of orders into the

Maintenance Enforcement system are expected to be operational before the end of the year.

The case management processes are also under review in the Court of Queen's Bench. A two-year pilot in the Family Division has been completed, and the court's advisory committee is presently assessing the performance. It appears to have been very successful in allowing quicker processing of matters, reducing litigants costs, and increasing client satisfaction with the process.

In a similar undertaking in the general division, an implementation committee has been formed, comprised of members of the judiciary, legal profession, court administration, and the department, to develop rules and procedures for the case management of civil matters. In the Provincial Court, the chief judge has implemented a custody co-ordination project and a docket management project with the full co-operation of Department of Justice officials.

The custody co-ordination project piloted in Portage la Prairie provides for custody matters to be remanded to a magistrate's docket in Winnipeg until the parties are ready to proceed with a judicial activity such as a bail application, preliminary hearing, trial, or sentencing. This has reduced the expenses and security risks associated with unnecessary transportation and appearances of in-custody accused. The pilot has proven effective and has now been expanded to include outstanding charges involving inmates in Stony Mountain Penitentiary and all custody matters appearing on the Stonewall and Garden Hill dockets.

The docket management program or project, piloted since October of 1996, was recently expanded to include all Winnipeg Police Service out-of-custody charges except for those relating to domestic violence or young offenders. Docket management places such cases on a magistrate's docket, while preliminary matters such as appointment of counsel and exchanges of particulars are occurring. It does not come before a judge until the matter is ready for disposition or setting of a trial date.

In a related Prosecutions initiative, charges are prescreened by a senior Crown attorney, and the Crown's position is communicated to defence counsel

at the earliest possible time. The net result of these initiatives is that the average number of days from first appearance in court to disposition has been reduced by over 50 percent, from 154 days in 1995 to 70 days in 1997. This has also reduced the judges' docket to less than one-third of previous levels, allowing judges to focus on more complex judicial responsibilities.

The Department of Justice continues its commitment to develop and improve justice services for aboriginal communities in Manitoba. As an example, in cooperation with, and please excuse the pronunciation, Manitoba Keewatinowi Okemakanak, or MKO, and the chief judge of the Provincial Court, we have created and funded an aboriginal magistrates court that sits in eight northern communities. Led by a Cree-speaking magistrate, this court invites community involvement in developing traditional, community-based alternatives for offenders.

This initiative is supplemented by having aboriginal community justice workers who have been hired, trained and supervised by MKO located in four communities. The federal government is now in the process of developing tripartite funding agreements with Manitoba which will allow this important project to expand to several more northern First Nations communities.

The Justice Initiatives Fund created last fiscal year is intended to support the development of initiatives to prevent crime and to improve the justice system in Manitoba. Although the fund is not limited to aboriginal justice projects, the criteria developed by the department for funding put an emphasis on projects that address aboriginal justice issues and on projects that meaningfully involve communities in the justice process.

Numerous funding requests have been approved so far, and one of the most significant is the Aboriginal Legal Services of Winnipeg diversion project, also known as ALSOW. This is a community-driven initiative to develop and implement a diversion program for the Winnipeg aboriginal community. Manitoba's funding commitment has allowed and helped also to elicit a matching grant from the federal government. The project's aims include enhancing

public safety and the justice system while being respectful of aboriginal culture.

It will also focus on reducing the rate of incarceration and recidivism among aboriginal people in Winnipeg, thereby reducing the costs of other parts of the justice system. Victims will also benefit from an opportunity to deal with their victimization through mediation, restitution and other measures.

The project will use a mix of traditional and contemporary programs and will involve elders in all aspects of programming to enable input on spiritual and cultural matters. The project is operated by a primarily aboriginal board and staff. A significant evaluation component is included to determine the extent to which the programs' objectives have been achieved.

I note that there have been some criticisms by some of that particular project. They are criticisms that seem to suggest that because we are funding a specific aboriginal program, that that somehow speaks of a separate justice system.

* (1650)

I want to assure everyone that this is not a separate justice system. It is a reflection of the justice system adapting to needs that it must adapt to. So while we know that organizations such as John Howard and Elizabeth Fry are doing wonderful work in the area of diversion and that this government supports those activities, we also know that those organizations have not been as effective as we may have wished them to be, or indeed they may have wished to be, in respect of certain issues. This program was designed, in my opinion, to address those issues that are being left outstanding, and so this is an example not of the development of a separate justice system but, in fact, of a justice system that is responsive to the needs of the community.

Funding has also been provided for another alternative justice program to be operated by Mediation Services. This community-based initiative will develop and implement a diversion program for youth between 12 and 17 years of age. Like the ALSOW project, its aims include enhancing public safety, enhancing the justice system, reducing the rate of incarceration and

recidivism, reducing costs in other parts of the justice system, and includes a significant evaluation component. In addition to victim-offender mediation, the project will, where appropriate, involve social service agencies to address underlying problems and assist the youths in improving their employment opportunities.

Mediation Services will also be assisting in the training of case workers for the ALSOW project. The Family Violence Court research project, headed by Professor Jane Ursel, who is also the head of the Lavoie implementation committee, involves a collection of comprehensive court data over the past six years. The project has provided valuable data and analysis to the Department of Justice in respect of the nature and incidence of family violence. Funding has been approved out of the Justice Initiatives Fund to continue support for this project during the 1998-1999 and 1999-2000 fiscal years. Other significant funding approvals include support for the Salvation Army's Weetamah youth initiative and for a community policing initiative in Portage la Prairie.

In respect of the issue that I raised earlier on the recommendations of the Prairie Research review of victims assistance in Manitoba, I wanted to specifically deal with this issue. The issue of victims and how we fit the needs of victims into our justice system is a very important one, and one that we are addressing through bringing in of legislation. It is legislation that is administratively feasible, legally sound, and constitutionally proper. I know it is very tempting for people to float proposals and, indeed, even introduce bills that can never be implemented because they are neither administratively feasible, legally sound, or constitutionally proper.

As government, we have an obligation to dovetail our legislation with the requirements of the Criminal Code. I know from time to time there is a suggestion that Manitoba can pass legislation dealing with criminal procedure that contradicts the Criminal Code. We know that is not correct, and so perhaps unlike other initiatives, we have ensured that our proposal remains constitutionally proper; that is, it takes into account what the federal Criminal Code already requires and, therefore, we need to pass our legislation with a view to

that. It does no one any good to make wild and vague promises that cannot be implemented.

It is an approach that this government has consistently taken in order to fulfil gaps in federal legislation. The first such example, and we will see other examples in this upcoming year, the first example, the most prominent one I would suggest, was the impaired and suspended driving initiative by this government.

The concern was that licensed drivers were abusing their privilege of being on the road, and so we, not being satisfied with the federal Criminal Code, sought to supplement the federal Criminal Code by introducing legally sound, administratively feasible and constitutionally proper legislation. That legislation has led to a significant reduction of deaths and injuries on Manitoba's highways. Just recently we took the .05 initiative, which, again, the intent is the same.

In respect of the legislation that I talked about earlier, the seizure of johns' vehicles, the legislation is based on similar principles. That is the Province of Manitoba has a constitutional basis for regulating the use of property on its highways and within Manitoba. So that legislation is carefully drafted and its intent carefully expressed to ensure that there is no transgression of federal criminal law powers. I know that other governments across Canada and notably the NDP government in British Columbia has advised me that they want to introduce more of the plans that this government has introduced here. As you know, the NDP government there successfully implemented our .08 administrative driving program in British Columbia, and they, too, were successful in defending it from a constitutional challenge. So they are interested now in adopting our strategies in dealing with making our communities safer and better places to live.

But I digress. I did want to speak specifically about the Prairie Research review of victims assistance in Manitoba. In September of 1996, the department contracted for an extensive review of victims assistance programming in Manitoba. The final report, which was presented in April 1997, was to provide the framework for future services in Manitoba. This report provided 15 recommendations which can be placed into four groupings: legislation, fine surcharge, compensation and delivery systems.

So this legislation that is being introduced now is, in fact, based on the very extensive review that my staff had done through the Prairie Research institute.

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

INDUSTRY, TRADE AND TOURISM

Mr. Chairperson (Ben Sveinson): 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 Industry, Trade and Tourism.

Does the honourable Minister of Industry, Trade and Tourism have an opening statement?

Hon. James Downey (Minister of Industry, Trade and Tourism): Yes, I do, Mr. Chairman. I, first of all, want to acknowledge and thank the member opposite, the chief critic, for accommodating me yesterday in being able to allow me to go to a family funeral. I thank him for that as well as my colleagues in government for assisting in allowing me to do that. It was much appreciated by myself and family members, so I want that on the record.

I am pleased as well to again present the Estimates of the Department of Industry, Trade and Tourism for the 1998-99 Estimates and look forward to discussion, questions and comments from the members opposite.

Before I go into details of the department's programs, I have the very pleasant task of providing an overview of Manitoba's economic performance. In short, 1997 was a banner year for our province. As a writer in the Winnipeg Free Press put it in December: you do not need a Ph.D. in economics to understand that 1997 was about as close to a boom as it ever gets around here.

The conditions for this boom were created in the early to mid-1990s as Manitoba's exports expanded dramatically, especially to the United States. Our growth in exports was soon echoed in overall manufacturing shipments, increased capital investment, job creation and finally, low unemployment.

The most dramatic and concrete reflections of these developments were a series of major new ventures, announcements, relocations or expansions that have taken place in the last year. These include Maple Leaf Foods announcement of its plans to build \$112-million hog processing plant near Brandon, announcements of a new call centre operations by MCI corporation, the Royal Bank, Air Canada and Gage Marketing group; significant expansion plans by several of Manitoba's large manufacturers, including Winpak Limited, Bristol Aerospace Limited and Vansco Electronics Ltd.

Overall, Manitoba's economy grew by nearly double the national average rate in 1996, at 2.9 percent, the second highest growth rate. In 1997, its growth rate has been estimated at 3.6 percent, the third best amongst the provinces. The province's unemployment rate in April of 1998 was the second lowest in Canada at 5.5 percent and continued at 6 percent or less for the fifth month in a row. We have not seen such rates, incidentally, since 1981.

In 1997, the number of Manitobans with jobs rose 2.4 percent, which was the third largest increase among the provinces and above the national growth rate of 1.9 percent. The private sector led the way as employment in that sector increased 4 percent last year.

The province's exports continued their increase in 1997, the eighth consecutive year of growth. Last year, exports to all countries climbed 13.6 percent, ahead of Canada's average for the fourth year in a row. Exports to our leading trade partner, the United States, increased 19.3 percent. Export growth is reflected in the number of manufacturing shipments which rose 11.6 percent in 1997 compared with 6.9 percent for Canada. Predictably, transportation equipment was the fastest growing sector, at 30 percent, in 1997. I should note that Manitoba now produces more buses than any other jurisdiction on the continent.

*(1520)

Equally important to maintaining our economic momentum is the fact investment spending in the province jumped by nearly 15 percent ahead of the national rate for the third straight year.

Perhaps most significant is that private sector investment increased for the sixth straight year—15.5 percent in 1997. Since 1991, private investment has grown in the province by 56.9 percent compared with the national average of 30.2 percent.

Manitoba continued to see large increases in manufacturing investment, which rose 26.4 percentage points in 1997 versus the national rate of 4.9 percent.

Finally, as usual in recent years, Manitoba's share of farm cash receipts reached a record level in 1997 as they climbed by just another 10 percent. It is noteworthy that crops and livestock contributed almost evenly to the strong results, with crop receipts up 6.9 percent, and livestock, 8.2 percent.

Overall, in view of these indicators and our government's fiscal performance, I am extremely optimistic about the prospects for 1998. A summary of forecasts by seven major economic forecasters, including the five major Canadian banks, shows that Manitoba's strong growth is expected to continue. Real GDP is forecast to grow by three percentage points in 1998. Employment will grow a further 1.9 percent, or over 10,000 jobs; and Manitoba's unemployment rate is forecast for the year at 6 percent.

The role of Manitoba Industry, Trade and Tourism is to use its policies and programs to help maintain the momentum of economic growth, working for the most part with individual companies or within specific individual sectors.

I should remind members that, as of fiscal year 1997-98, the Department of Industry, Trade and Tourism has been divided into four main program areas: industry development, which focuses on key industries across the province; Manitoba trade, which promotes trade and inward investment in the province; business development, which provides information and advice and other support to small business; and tourism, or Travel Manitoba, which oversees and co-ordinates campaigns to attract visitors to all areas of the province.

The department also includes the Economic Development Board of Cabinet, which is chaired by the Premier (Mr. Filmon), and the Manitoba Call Centre

Team, which is a partnership of Industry, Trade and Tourism, Rural Development, Manitoba Telecom Services and Winnipeg 2000. In 1997-98, Industry Development staff continued to provide consulting service and sector expertise to Manitoba businesses, and to promote and facilitate investment, infrastructure development, R & D and technology transfer, and skills development across the province. Let me mention some activities in a few economic sectors.

In food and beverage processing, our largest manufacturing sector, the Department of Industry, Trade and Tourism is working closely with Manitoba Agriculture and Manitoba Rural Development, as well as the Manitoba Food Processors Association. A good portion of the government's activities in this area has centred on promoting the hog and pork industry abroad, especially in Asia Pacific, mainly by working with industry to encourage more companies to export and expand value-added production.

Our staff have been working with several manufacturers, including McCain Foods, which, in September of 1997, officially opened an \$80-million expansion to its potato processing plant in Portage la Prairie. This expansion doubled McCain's production capacity in the province, increased its workforce by 170 people to 450, and raised Manitoba's profile as a challenger to Prince Edward Island's crown as potato capital of Canada.

Simplot Canada moved an abandoned ammonia plant in Sicily to its Brandon fertilizer complex, completing a two-year, \$225-million upgrade. This is the second recent expansion for Simplot as they moved ammonia nitrate production facilities to Brandon from Minnesota in 1996. Both will greatly increase Simplot's role in a driving force in the province's economy.

Vansco Electronics of Winnipeg is undertaking an \$11.3-million expansion that is expected to create 456 new jobs in Manitoba, assisted by a \$1.4-million repayable loan from the Department of Industry, Trade and Tourism for the first phase.

Bristol Aerospace, which, since June of 1997, has been 100 percent Canadian owned, announced a \$10-

million expansion, including 200 workers after it won a contract from Boeing Canada Technology worth nearly \$100 million. This is Bristol's largest contract ever.

In Manitoba's dynamic health industry, several companies, including National Healthcare Manufacturing, Biovail Corporation, Novopharm Biotechnology and Franklin Enterprises made significant strides in 1997, bringing new production to market with consulting and other assistance from our department.

In 1996-97, the Health Research Infrastructure Initiative was launched within Industry, Trade and Tourism. The initiative is designed to attract more health research to Manitoba by providing an incentive to research institutions to seek outside research grants by helping them cover additional or added operational expenses.

Many research grants do not pay for additional operational expenses which can drain the institution's overall budget. In 1996-97 and '97-98, the St. Boniface Research Centre received funding to pilot the program. In 1998-99, funding has been expanded by \$1.5 million, and their program will be available to the Manitoba Cancer Treatment and Research Foundation, Children's Hospital Research Foundation, St. Boniface Research Centre, Health Sciences Centre Research Foundation, as well as the University of Manitoba.

Another contributing initiative of note is the Manitoba Centres of Excellence Fund, which seeks to attract and maintain world-class research and development activity to produce economic spin-offs for local companies and nonprofit agencies. The fund provides grants to research projects at the University of Manitoba, contingent upon support under the federal government's network of Centres of Excellence Initiative. Manitoba's contribution then amounts to 20 percent of the federal total.

Meanwhile, I note that an increasing access to risk capital for small- and mid-size Manitoba companies continues to be a major priority for the Department of Industry, Trade and Tourism. We have been working hard in partnership with industry and the financial

community to address these difficulties. A recent study by the Business Development Bank found companies backed by Venture Capital were creating jobs at a 32 percent annual growth rate compared to a 4 percent yearly growth rate for the economy in general.

The Manitoba government worked with private sector partners, helped boost the annual supply of Venture Capital in Manitoba from less than \$4 million in 1993 to about \$30 million in each of 1996 and '97. The goal is to double this commitment to \$60 million a year by the year 2000. To do this, the government has sponsored several significant Venture Capital funds for loans in the \$100,000 to the \$3.5-million range, and these include the Vision Capital Fund, the Manitoba Capital Fund, the labour-sponsored Crocus Investment Fund and the ENSIS Growth Fund and the Manitoba Business Expansion Fund in co-operation with the CIBC and Toronto-Dominion banks.

Our department, through our Financial Services branch and Economic Innovation and Technology Council, has also been working to match potential investors with promising young companies seeking financing. This year, 20 companies made presentations to the investors at Invest Manitoba 98, the third investment forum of its kind in Manitoba.

Finally, to attract much needed capital to the science and technology sector, the Manitoba government committed \$5 million in its February 1998 budget to create the Manitoba Science and Technology Fund. This fund aims to attract \$15 million to \$25 million of private Venture Capital which will be used to assist high technology companies.

The Manitoba Trade and Investment Corporation, or Manitoba Trade, for short, is the focal point of Manitoba's efforts in promoting more exports to an ever-widening range of world markets and at the same time encouraging inward investment in this province. A large part of its work is to help exporters and export-ready companies enter new markets by leading strategic trade missions, hosting delegations from our major trading partners and helping companies attend trade shows in various industrial sectors and regions.

* (1530)

Specifically, Manitoba Trade's objectives are to increase exports of value-added goods and services by 60 percent between 1995 and 2000, to increase the number of actively exporting companies by 300 between 1995 and 2000 or 10 percent per year, and, as I suggested, to increase investment in Manitoba.

Several business missions took place during 1997-98, including the Team Canada 1998 Trade Mission, which visited Mexico, Brazil, Argentina and Chile. This was the largest Team Canada mission to date with 23 representatives from Manitoba companies and organizations. Team Canada 98 also showcased the Pan American Games through the mission, and on several occasions integrated the games into the Team Canada events.

In 1997-98, Manitoba Trade supported 47 new exporters and 27 companies undertaking market diversification in the U.S. Our trade specialists continue to work closely with Manitoba companies to help them qualify as new exporters and also assist businesses in their efforts to diversify markets, especially to the United States.

Priority sectors included health industries, food and beverage processing, apparel, building products, original equipment manufacturing and subcomponents/agricultural equipment. In 1997-98, Manitoba Trade organized and managed eight group trade show events in the United States with 48 Manitoba companies taking part. The companies reported a total of \$17 million in projected sales as a result of these shows. Meanwhile, South America has become a priority export market for Manitoba companies with specific focus on Brazil, Argentina and Chile. Within these countries, Manitoba Trade has centred its efforts on regions that are compatible with Manitoba's capabilities.

Besides Team Canada, Manitoba Trade sponsored three other missions to South America in 1997-98 involving education, agribusiness and construction. Mexico is already a priority market for Manitoba and is our sixth largest export destination. Japan continued to be Manitoba's second largest trading partner for 1997 with exports totalling \$411 million, which is a 15

percent increase over 1996. Agriculture commodities make up a large portion of these exports.

In recent years, Manitoba building product companies have seen a dramatic increase in sales to Japan, notably in prefabricated houses. However, 1997 was a difficult year for various products in Japan due to wider economic instability in the region. We are confident, however, that like the peso, prices in Mexico, conditions in Asia Pacific will soon stabilize enhancing, once again, our prospects for trade.

Manitoba's ties with Japan are certainly growing, as during Premier Filmon's visit to Osaka in October of 1997 the province was selected to host the third annual meeting of the Kansai-Canada West Business Forum. In fact, this event is one of two initiatives related to Japan that Manitoba Trade will support in 1998-99. The Kansai-Canada West Business Forum to be held September 16 to 18, 1998, in Winnipeg is expected to attract 200 to 250 delegates from western Canada and Japan. Manitoba Trade will also sponsor industry participation in the Tokyo Home Show in November of 1998.

Regional conditions also affected our trade with China, and we are targeting certain areas—notably agriculture and hydroelectricity—as having room for growth. The Middle East also emerged as a potential market worth developing after I led the first official Manitoba Trade Mission in February and March, 1997, to the United Arab Emirates and to Egypt. I was joined by five Manitoba business representatives interested in exporting products to this region. Manitoba exports to the Middle East and Africa in 1997 were \$241 million. Iran is Manitoba's fifth largest export market as it attracted \$96 million of exports in 1997, which is a 55.6 percent increase over 1996.

Other markets that Manitoba Trade has begun work in with great hopes for success are the Ukraine and Poland, the United Kingdom, Germany and South Africa, which reflects our ongoing concern to diversify the foreign markets that we are pursuing.

Here in North America, Manitoba Trade encourages initiatives that promote the province as the northern hub for the trade and distribution of NAFTA goods and

services. Manitoba Trade is an active participant on the Manitoba-Winnipeg Corridor Partners Committee and supports the activities of the Red River Trade Corridor and the Central North American Trade Corridor.

The recent awarding of landing rights in China to Winnport by the federal government will certainly hasten growth in this area. Manitoba Trade is also providing support to the third summit of mayors and is one of two provincial delegates representing the province in the North Americas Superhighway Coalition, or NASCO, as it is known, and has been successful in having I-29 added to the U.S. highways designated for superhighways' funding.

This spring, Manitoba Trade participated in the Northern Great Plains Visioning Conference; five U.S. Midwest states and two Canadian provinces are working towards developing a regional trade and transportation strategy.

Finally, making use of foreign trade agents continues to be a highly successful strategy for Manitoba Trade to assist companies planning to move into certain regional markets. Manitoba Trade has agents in Hong Kong, Japan, the United Kingdom, Mexico, The Netherlands, Italy and Chile.

The word from our department's special operating agency, the Industrial Technology Centre, ITC provides a wide range of technical services to clients which vary from start-up entrepreneurs and mid-sized companies to large firms seeking specialized technical assistance. The centre's expert capabilities and forensic document services are unique in Canada, and it actually provides services to clients across the continent. It is proving to be yet another example of the SOA model, the special operating agency model, for delivering public services. It has already reduced its reliance on government funding by enhancing its own resources of revenue.

Meanwhile, the Manitoba Call Centre Team, a joint venture led by the Department of Industry, Trade and Tourism, continues to market this province as a premier location for call centres. Despite some keen competition, the team has done an admirable job in expanding the industry so that it now includes some 20

major call centres and a workforce of more than 7,000 people. Last year has seen several high-profile call centres join our ranks, including the Royal Bank, Air Canada, Gage Marketing, and MCI Communications. The team is also working closely with the Manitoba Call Centre Association to enhance training opportunities for call centre staff, including establishing a certification program. The Call Centre Team has been one focal point of special strategic initiatives by Manitoba's Economic Development Board.

The Economic Development Board helped attract several of the call centres I mentioned as well as other major economic projects such as Maple Leaf Foods in Brandon and Isobord strawboard plant near Elie, Manitoba.

Now, small and medium-sized business have long been of vital importance not only to the economy of this province but also to the strategy of this department. The department's Business Development Division is a high priority as it expands its role in assisting small business start-ups and providing services to help existing firms grow. It also aims to make sure small business owners and managers have easy access to training, information resources, and other services aimed at small business.

The division is doing this in part with a wide variety of government and nongovernment agencies and associations. To narrow the number of contacts entrepreneurs need to find the information they are seeking, this spring the governments of Canada and Manitoba will officially open the Canada-Manitoba Business Service Centre in Winnipeg. This centre will provide one-stop shopping for information about federal and provincial programs related to small business as well as access to business advisors.

Tourism was a major contributor to Manitoba's economy in 1997, with revenues once again over \$1 billion. Overall arrivals were up from 1996 while visitors from the United States, the province's largest travel market, rose to over 600,000, with an increase rate of 2.3 percent, almost double the average Canadian increase. Other measures of performance, such as accommodation occupancy rates, airport traffic and restaurant receipts, were also up.

* (1540)

To thrive in competitive national and international markets, Manitoba's tourism products must be of the highest quality. This is why the Department of Industry, Trade and Tourism last year launched a program to provide cost-shared assistance for developing new tourism products. The objective is to ensure that Manitoba capitalizes on viable product development opportunities that will generate new tourism revenues, lever private sector investments, and create long-term jobs. The program targets opportunities in ecotourism, outdoor adventure, aboriginal tourism, cultural heritage tourism and regional community tourism development. The product development program is also focused on small business and communities. Funding is available to support regional tourism forums and community and regional tourism planning and implementation. Some of the major events in Manitoba in the next two years include the 1998 Grey Cup Championship, the 1999 World Junior Hockey Championships, the Royal Canadian Mounted Police 125th Anniversary and the Dakota Ojibway Tribal Days 1999.

Manitoba's tourism industry is also looking forward, of course, to the Pan American Games in 1999, the largest-ever sporting event to be held in Canada. Planning is proceeding at a brisk pace for this third-largest sporting event in North America after the Summer Olympics in Atlanta and Los Angeles. In terms of direct expenditures and indirect spin-offs, the games themselves are expected to pump some \$225 million into our provincial economy. The hundred thousand plus visitors are predicted to spend \$28.5 million and spin off another \$14 million here, and some 2,500 person-years of employment are also expected.

Clearly, this is a huge opportunity for Manitoba's tourism industry and economic development in general. This is why my department is working actively with the Pan American Games Society and other partners to make the best of this opening to Latin America. An integrated tourism campaign developed with Tourism Winnipeg and the Pan American Games Society will ensure our many visitors in 1999 will experience a wide variety of Manitoba tourist attractions as well as the games themselves.

As well, the Business Hosting program, recently launched in conjunction with the Friends of the Games program, will help companies host clients by providing access to accommodations and customized business services. The Winnipeg games will attract the largest television coverage in Pan American history, and more than 2,000 media people, my department and the Pan American Games Society are striving to make sure our province capitalizes on this unprecedented exposure.

Finally, the Pan American Games economic development initiative is developing a program to showcase the best of Manitoba's products, services and other talents during the games through advertising, special events and other promotions. It certainly promises to be an exciting and fruitful year for Manitoba.

Mr. Chairman, on this note, I conclude my overview of the main initiatives and activities of Industry, Trade and Tourism in my introduction to the department's Estimates for 1998-99. I look forward to my colleagues and members opposite in their questions and also to say that I look forward with my colleagues, staff and outside partners to another year of challenge and growth for Manitoba's economy.

I am pleased to continue to be the minister and present these Estimates to the Manitoba Legislative Assembly committee. Thank you, Mr. Chairman.

Mr. Chairperson: We thank the Minister of Industry, Trade and Tourism for his comments. Does the official opposition critic, the honourable member for Crescentwood (Mr. Sale), have an opening statement?

Mr. Tim Sale (Crescentwood): Yes, Mr. Chairperson.

First of all, we extend to the minister and his family our condolences on their loss. We will always attempt to accommodate those kinds of situations which affect us all. As the minister knows, we have had somewhat similar circumstances on our side of the House, so I think all members attempt to be accommodating, and we are sorry that there was a need to be accommodating in this particular case.

Mr. Chairperson, I want to make a few opening remarks that are not specific to any particular companies or circumstances but are of a more general nature.

First of all, I want to start by acknowledging the innovation and the competitiveness that is evident in the Manitoba companies that I have visited over the past year, which I have enjoyed greatly. I have always learned a great deal in the process of doing so. I reflect on visits to Pauwels, for example, a major transformer exporter, a Belgian-owned company, which has excellent industrial relations and which markets products, particularly in the developing world but also in the developed world, that are virtually all value-added in Manitoba from raw materials through to the finished product with a great deal of engineering content.

I want to use that company, not to reflect specifically on the company, but to reflect on what tensions face Manitoba's economy as we strive to move forward in economic terms, but also in human terms. For example, we face in the world the increasing challenges of what is loosely called globalization. No one will argue that there are great pressures coming from other economies in other parts of the world. There obviously are.

Historically, though, we have always lived in an international and, to some extent, a global economy in this country. When Manitoba was opened by the fur traders, by the Metis people, the destination of their products was a global destination. The furs were shipped for processing and then had value added to them and were distributed all over the then developed world.

We have never been a nation that existed within our own economic framework independent of the economic framework of the rest of the world, so it is a bit misleading for all of us. I am sure we are all guilty of this, but it is a bit misleading to characterize the situation we face as unprecedented or radically different than it was. The Hudson's Bay Company, the North West Company, the Revillons Frères all faced difficulties of logistics of the collection and distribution of their product. They certainly were engaged in the realpolitik of their day of attempting to

influence governments to provide them with certain benefits. Of course in the case of the honourable company of gentlemen adventurers, they were spectacularly successful. They got half a continent for their lobbying trouble and received great fortunes as a result.

So in many ways the pressures we face, the pressures that a company like Pauwels faces may be different in their scale, but they are not different in their fundamental nature, at least not in the ways that we often think of them as different.

I think it is important that as we struggle with the question of how our economy is to develop that we identify certain principles that will guide that development, and I want to reflect on a couple of those.

First of all, there are two ways of being competitive in economic terms. One can be competitive on price and can beat the best price by driving down costs, by increasing productivity, by driving down wages, by sometimes externalizing costs. I suppose another name for externalized costs is pollution. There are other externalized costs, of course. You can externalize costs onto government for the case of the forest industry, for example. One way the forest industry in Manitoba has been very good at externalizing costs is to lobby and pressure the provincial government into stumpage fees so they are the lowest in the country, magnitudes lower than in Ontario, for example. So there are a whole variety of ways, from pollution to pressure, to reduce input costs to pressure to give special privilege, that one can externalize costs.

There are, then, many different elements of price competitiveness, but basically the attempt is to deliver the product at the cheapest price, whether that is by wage or cost of inputs or externalizing of cost. The other, more important kind of competitiveness in many ways is underlying, or what might be called fundamental competitiveness. That is competitiveness that retains its advantage over time, because it is based on human capital, on the fundamental competitiveness of an economy which has two main roots—that is, roots in the r-o-o-t-s notion, for Hansard.

One is in the human capital, in which we train our workers through post-secondary education, through skills training, to become a source in itself of value, as opposed to simply seeking price competitiveness where volume and low wages are an advantage. Underlying fundamental competitiveness is based on high human capital values and, very frequently, high wages because the human capital itself is the value, and it is, in itself, adding value. It is not simply producing volume, but the human capital itself is producing added value.

The other root of fundamental competitiveness is research, research and development. Because companies, as I am sure the minister would agree, companies like Pauwels, for example, that engage in some fundamental research with the university community or with other research projects, develop the capacity to have unique products which no other company is able to offer, at least not in the short run. Around those unique products develop a community of support and almost a kind of symbiotic, I guess, community that provides services to and feeds off of the core industry; in the case of my example, the high-tech transformer industry.

So countries and provinces have to make a choice, or at least they have to be conscious of which of these strategies they think is more important—a price competitiveness strategy which would push towards low wages, low input costs, high volume, and not necessarily high value added, but certainly high volume, or a fundamentally competitive economy, an underlying competitiveness in our economy, which is based on human capital, on research and development, and a very high value-added direction. Now, it may be possible to simultaneously pursue both, but it is at least really important that jurisdictions be clear about where they are pursuing one and where they are pursuing the other, and what it is they are actually doing in that process.

I think a second area of economic strategy that is needed is a forthright and honest appraisal of the weaknesses and strengths of an economy. Here I refer particularly to a debate, which I know we will have again this year and I am sure that it will continue in the press and in the Legislature, a debate about the nature

of our labour force. The province is rightly pleased that we have a reported unemployment rate of 5.5 percent in the most recent report. The minister may find it difficult to believe, but we take pleasure in the low unemployment rate just as he does and just as his government does, but we also recognize, and we will debate this I am sure, that our unemployment and employment and labour force statistics are hopelessly skewed in this province and in Saskatchewan—to a lesser extent in Alberta and B.C. but primarily in Saskatchewan and Manitoba—by the noncounting of a very significant portion of our labour force, namely, our aboriginal community.

We had in the House today another example of that in which the poverty statistics were being discussed. I am sure the minister knows, and probably all the staff know, that aboriginal people on reserve are not counted in those poverty statistics. So, when we talk about having the highest child poverty rate in the nation, we are not even counting the poorest of the poor. As I have said in other debates, were aboriginal people evenly distributed across the country, at least we would be distorting all of our statistics in a reasonably evenhanded manner, but aboriginal people are not. They are concentrated on reserves in Manitoba and Saskatchewan.

So, when we fail to count aboriginal poverty or aboriginal employment or any conditions on First Nations reserves anywhere in Canada, we dishonour those citizens because we fail to report the real circumstances of their lives. In Manitoba and Saskatchewan, we deceive ourselves, we do not just dishonour those people, because we fail to count, in the case of workers, a number of people who would like to be employed, who are at least as numerous as the total number of unemployed that we now report on a monthly basis.

So our true unemployment rate is significantly higher and, I would argue, is at least double the reported rate, not because Statistics Canada is wrong in its methodology, but simply by convention we do not count aboriginal people. Now if we are serious about offering opportunity and about recognizing that aboriginal First Nations workers comprise close to 20 percent of our labour market entrance and maybe

higher, certainly in the North far higher, then I think we have to, from an Industry, Trade and Tourism perspective, get serious about counting the impact that they have on our future in a real way, and not just paying lip service to inviting them to ribbon cuttings and prestigious announcements but taking seriously with them, working with them in partnership to report the true circumstances of labour force, poverty, housing conditions.

Whether or not Statistics Canada likes it, the convention of ignoring the conditions is an incredibly paternalistic, terribly outdated, very colonial mentality that our nation's statistics which we report to the world are not worthy of the inclusion of the realities of life of First Nations people. I know that is not the minister's policy. I know it is not Manitoba's policy. It is Statistics Canada's policy, but it has a particular impact on our province, and I know we will discuss that.

The second really major strategic issue that I think we have to begin to talk about is what we mean when we are talking about our labour force, our human capital. What route are we choosing? Are we steadfastly going down the route of high volume, low value-added, low wage, or are we steadfastly setting our face in the direction of a high value-added, high wage, high skill, high human capital economy? If we are trying to do both, how are we clear about that? What are we doing to work at both of those strategies, and how do we understand the distinction?

The third major route of our economic strategy, I think, has to be a clearer policy about international trade and the pressures, the real politic of the American pressures, for example, to move in the direction of such treaties as the Multilateral Agreement on Investment.

I say sincerely to the minister that I was extremely pleased that his government moved amendments, some of which I thought were appropriate, a couple of which we decided we could not support, but, nevertheless, the motion, as amended, which I had put forward passed unanimously. I was very pleased with that because it represented a huge change in direction on the part of the government that had steadfastly insisted for a year that the MAI was not a problem and I think came to the conclusion, after a great deal of work on the part of

other governments and the voluntary sector around the world, the union sector in the United States and Canada, in particular, the environmental movements of all nations, that indeed this treaty was not just marginally bad but fatally flawed and needed to be shelved. I am going to be interested to find out what the government's view of the future of that treaty is, particularly as its proponents try to move in other venues to achieve the same goals that they had under MAI.

So that I think is a very difficult area for a small province, as Manitoba is. Although internally we have an economy of some \$29 billion—and that is not small change—in the world context, we are a relatively modest player. So how do we walk that line between protecting and nurturing our own capacity to be an actor on the stage of world trade and North American and hemispheric trade and at the same time be open to the development and potential that trade offers? It is a difficult line to walk. I acknowledge that but I think, though, it requires a very clear strategy about trade.

* (1600)

Simply trade for trade's sake may not be a very good strategy if the process of that leads to such headlines as we saw just this week, where Manitoba firms may be eaten by U.S. giants. We see the stock market and the private-industry market, the nonpublicly traded companies, absolutely besieged by takeover-merger mania in the last little while. It is certainly not self-evident that more and bigger and remotely managed companies are better for their employees or for the communities in which they do business because they tend, as they get bigger, to have less interest in sourcing support services, products, et cetera, locally and much more interested in tendering or sourcing those from other places.

So I think the challenge facing the province is to be really clear about its broad strategy and its broad direction to certainly take some pleasure in some of the things the minister has identified, and we share in that. When there is a Manitoba success story, we all share in that. But it is not clear to many of the public, and it is not clear to us in opposition, just where the government sits on some of those very big issues that ought to

underlie the overall strategy the government is following in Industry, Trade and Tourism.

I guess my final comments are in the area of tourism. Here we had an acknowledgement a year ago that the tourism strategy was in disarray, that it needed to be rethought, that our major advertising marketing approach needed to be changed, and I am looking forward to having the minister and his staff share with us what has happened in regard to that kind of underlying change. Here, too, we have a problem of reporting and information because the numbers that the minister puts on the record, which, I am sure, are from reputable sources, are not consistent with the numbers that StatsCan puts on the record through its monthly tourist information. It will be a source of some discussion, I am sure, to try and sort out why the minister's picture of what is happening in tourism and Stats Canada's picture are somewhat at odds, particularly in terms of simply the numbers of tourists who are arriving at our doors. I will be interested to hear why the Statistics Canada version does not seem to accord with the numbers that the minister is using.

I hope that we will have a useful discussion, and that we will get through our Estimates in an orderly fashion. I look forward to further exchange during the next few days as we consider these Estimates, Mr. Chairman, and I thank you for the opportunity to put a few opening broad remarks on the record.

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

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

Mr. Downey: I thank the opposition critic for his comments at the beginning of his comments on the record, and also will try to deal with some of the issues that he has raised in his opening comments as we go through the Estimates.

Mr. Murray Cormack is the deputy minister of Industry, Trade and Tourism. Mr. Jack Dalglish is the director of Finance within the Department of Industry, Trade and Tourism. We will, as we get to the different parts, have other individuals, if necessary, to help support the questioning that will come forward.

Mr. Chairperson: We thank the minister. We will now proceed to item 10.1. Administration and Finance (b) Executive Support (1) Salaries and Employee Benefits \$498,000, on page 89 of the main Estimates book. Shall the item pass?

Mr. Sale: I would like to have the minister indicate what the total costs of travel were for this area. I presume it includes his travel as well as the deputy and the senior administration travel. Perhaps he could provide a breakdown indicating the travel, where this travel took place, and what the total costs were of that travel over the previous year '97-98 just ended.

Mr. Downey: I think I made reference basically to the places that we travelled in my Estimates. I will have to break down the overall costs for that activity, Mr. Chairman, but we should be able to do that.

Mr. Sale: Were there any changes in the senior personnel of the department in the past year, personnel covered on this page?

Mr. Downey: For that particular period of time for last year, no, Mr. Chairman, but we have currently added Mr. Ian Robertson as our assistant deputy minister responsible for Industrial Development. Basically, it is the only change in our senior staff for the last year.

Mr. Sale: I am sorry, I did not get the name.

Mr. Downey: Ian Robertson.

Mr. Sale: Pass.

Mr. Chairperson: Item 10.1. Administration and Finance (b) Executive Support (1) Salaries and Employee Benefits \$498,000—pass; (2) Other Expenditures \$71,300—pass.

Item 10.1.(c) Financial and Administrative Services (1) Salaries and Employee Benefits \$678,800.

Mr. Sale: I have a number of questions in this area and the minister may need to just undertake to provide information if he does not have it. First of all, this is Mr. Dalglish's area, I believe.

Mr. Downey: That is correct.

Mr. Sale: Could the minister indicate what untendered contracts were processed through the department in the period up to the present time, from the beginning of 1997-98 fiscal year current to date, the total number of untendered contracts? Could he provide us with copies of those contracts? Mr. Chairperson, I know he is not going to provide me with copies of the actual contract. Would he provide me with copies of the contracts that are reported to the untendered contract system?

Mr. Downey: We do not have any problem with that, but I think it is already available to the member because any of those, I am currently told by the department, that are untendered are currently reported. There is a process. It is a matter of who you are reporting it to. I will have to let the member know. If it is not available, we will make it available.

* (1610)

Mr. Sale: The minister may or may not be aware that this system has been under some revision—the computer system has been under some revision and, when I last checked, it was quite out of date in terms of the listings. At several times during the year when I attempted to access them, the system simply could not respond. There was no response from the system, and, as far as I know, there is no manual backup that is in the library.

So, if the minister can indicate that these are all now up to date, the filings are all up to date and the system is working, I will attempt to get those contracts myself. But I am not blaming the department, the system itself was down for some time. I believe the actual operating system was changed during the past year away from the old Wang system and to a different operating system, so that is why I was making the request.

Mr. Downey: If they are not available through what we would consider to be the normal process, we will provide them to the member.

Mr. Sale: I will indicate to the minister that I do have a number of them from some time ago and I want to ask some questions about some of them, but I would like to have the complete list to make sure that I have not missed any of the more current ones. I want to ask about a contract entered into in 1997—I believe on the 15th of February to Donald Orchard—not to exceed \$5,000 to assist Canadian Agra Corp in the Province of Manitoba to finalize certain follow-up agreements related to a memorandum of understanding signed August 16, 1995, and then the Treasury Board preclearance number is given. Can the minister tell us the purpose of that contract?

Mr. Downey: Yes, I can, Mr. Chairman. First of all, the individual was selected because of his knowledge in the agricultural industry and in how some of the processes work, in order to help conclude the development of the infrastructure at the Canadian Agra plant at Ste. Agathe, with the municipal corporation, and to work to try and complete the natural gas hookup with Canadian Agra.

Mr. Sale: Were there any further contracts entered into with Mr. Orchard to conclude this work? Has he been assigned other work under this?

Mr. Downey: I am told that the answer is no; that this is the only contract with that individual.

Mr. Sale: I am going to ask questions about the mill under a different heading, but it seems that the untendered contracts are probably processed through Mr. Dalglish's area, I would think for the most part, so that is why I thought we might ask that question here.

Were there any other contracts entered into by the department in regard to the Canadian Agra project to assist in whatever matters by the department?

Mr. Downey: I do not believe so, but we will further check. I think this was the only contract that was entered into as it relates to trying to get the infrastructure piece of that completed.

Mr. Sale: Have there been any advances of any funding under any programs to Can Agra to assist in

the development of the industrial park site or the crushing mill itself?

Mr. Downey: Not from our department that I am aware of, Mr. Chairman. There may have been some for infrastructure for water and sewer under Rural Development but not direct funding from our department.

Mr. Sale: There is a contract with Sunvalley Software. The purpose of this contract, it appears, is to update and maintain an Internet site, which I have visited. I must say I did not find it particularly revealing as an Internet site. Is that contract continuing with Sunvalley because it was an untendered monthly fee?

Mr. Downey: We will check the details of it. I do not believe it is a continuing contract, but we will check the details for the member and bring them back.

Mr. Sale: Can the minister explain why this company was chosen, on an untendered basis, to do this work?

Mr. Downey: Again, Mr. Chairman, we will get the details. I consider, and am told by the department that basically it was because of the expertise that they had in this area.

Mr. Sale: Mr. Chairperson, there are many, many Internet site builders and support services in Manitoba and elsewhere. I find it difficult to believe that Sunvalley had any expertise that is not held by many different companies that are involved in Internet site development and maintenance, so I would appreciate knowing what it was that they had that was different.

We have dealt with a number of different Internet service providers. Members of my family, in fact, are in that business in some ways, and I know how many competitors there are. This is hardly an area in which there is huge expertise required or specialized expertise required to do what is done fairly routinely by government's own staff. Perhaps, there are some other reasons.

Mr. Downey: As I indicated, Mr. Chairman, I will have to check with the individuals in their area of responsibility.

Mr. Sale: Mr. Chairperson, a contract with Ronald Johnson, who was involved in the horse racing industry report, the report we discussed last year in Estimates, it is not clear whether this contract is continuing. Is this untendered contract continuing at \$3,750 a month or some other figure?

Mr. Downey: Mr. Chairman, the contract the member refers to, I believe, is completed. I do not want to mislead the member. I know that Mr. Johnson is now working with the livestock waste unit in the Sustainable Development group, but the contract he refers to has ended.

The reason for the continued work by Mr. Johnson is the harness race industry really, quite frankly, felt that they needed some additional support. They had confidence in Mr. Johnson. We believed, as a government, it was an important industry to continue to work with. With that in mind, the decision was made to continue the contract until we believe there was pretty much an ability for them to carry on.

Although the work is still not done with the harness race industry, we are still doing some lesser contractual work with them, but it is not Mr. Johnson that is doing it.

Mr. Sale: Mr. Chairperson, I may just not have understood the response. What I think the minister said was that Mr. Johnson is continuing on contract through another department or through the same department, but for another purpose.

Mr. Downey: Through the Sustainable Development department. He is not with us any longer as it relates to the horse race industry.

Mr. Sale: Mr. Chairperson, Industry, Trade and Tourism entered into a contract with SHL Systemhouse for the purpose of facilitating the establishment of a drug use management centre in Manitoba. Is this in the nature of a feasibility study? Why was this an untendered contract?

Mr. Downey: Again, Mr. Chairman, we will get back to these the next chance we meet with the details of the information. Again, the decision was made in areas

where the department needed qualified support, and they proceeded to hire this particular company. I will get the details of it for the member.

* (1620)

Mr. Sale: SHL Systemhouse has done extremely well out of this government. They have a huge contract for desktop management. I am very puzzled why the Department of Industry, Trade and Tourism would have anything to do with a drug use management centre. Surely this is a health issue, if it is anything. Is Systemhouse in this contract acting on behalf of a client that is unnamed and is talking about establishing an industry here?

This contract makes very little sense on the face of this. Why is it untendered? Why does Systemhouse get a special deal here? They do not have to apply; they do not have to tender for anything. They just get handouts. They got a huge handout for the desktop management system—millions and millions of dollars over many years. Here is another \$24,000 to facilitate the establishment of a drug use management centre. Has the centre been established? Has anything come of this contract?

Mr. Downey: I do not accept the preamble of the member about what has been given. There have been services contracted for, and it is a legitimate, appropriate expenditure of money. As far as the contract, and we are working in partnership in co-operation with the Department of Health in the drug development industry, of which there are services that are needed, the specifics of which this company was hired for, I would have to—as I said, put on the record, previously, we will find out, but it is our responsibility as well to encourage the development of job creation, research and development in the whole area of medicines and legal drug development in the province of Manitoba.

So we work in close collaboration with the Department of Health, and the decision was needed to proceed to hire this company. It was for a specific service as it relates to the development of the industry, and I will get the further details for the member for the next meeting.

Mr. Sale: In this area of the department, as in many areas throughout the Estimates, there is a reference to the government-wide initiative on desktop management, which is also, I believe, with SHL Systemhouse. Could the minister indicate the total—I have not been able to have the time, I guess, to go through and find all the notes and add it all up. What is the total for the department for this contract?

Mr. Downey: I am informed by the department that the cost to the department is \$403,333.33.

Mr. Sale: One is drawn to the conclusion that something got divided by three, and I am not quite sure what it is, except that if we multiply this by three and added a penny we might find out what it was.

Could the minister tell us whether this is an annual, recurring cost, a base that will grow in the normal way? Does this include one-time costs? Does this include hardware costs, et cetera?

Mr. Downey: Mr. Chairman, that figure was for 10 months. The recurring charge for a full year will be \$515,940.

Mr. Sale: I knew there was a division in there somewhere, Mr. Chairperson. Somebody added that penny back. Must have been Mr. Dalglish.

Mr. Chairperson, could the minister tell us whether this is now in the nature of an annual cost that will continue to affect the base costs of the department, or is there some portion of this that is a one-time cost?

Mr. Downey: It will continue as a base cost to the department.

Mr. Sale: How does the replacement cycle in this contract work?

Mr. Downey: I am told, Mr. Chairman, this is basically a four-year cycle.

Mr. Sale: What is the annual replacement cost on that four-year cycle? How much per work station, or what is the budgeted amount in the department for this on an annual basis?

Mr. Downey: I have already given the figures to the member.

Mr. Sale: I do not believe that my question was clear. My understanding is that there is a per work station charge for support services, network support, consulting support, online support. Basically the per work station annual cost is an ongoing cost. There is also a component of the cost which is for the four-year cycle of replacing the equipment. My understanding is that the government is fronting the costs of the new equipment that will bring everybody up to the minimum specs. I do not know whether it is 133 and 64 meg or whatever it is that are the minimum work station costs. But what I am asking for the minister to separate out are the annual support costs from the four-year capital costs. My understanding is that each work station each year will contribute a certain amount towards the regular replacement and upgrading, and that amount is not the same as the annual support amount, so I am asking for those two amounts to be broken out.

Mr. Downey: The numbers that I gave were the operational costs, Mr. Chairman. The actual equipment costs that will be presented in a four-year cycle have not been finalized as it relates to what our departmental share is, I am told. That is correct. It is being centrally funded by government. As far as we are concerned, we do not have that built in to our costs at this particular time. That is the information I have from the department.

Mr. Sale: The figure that has been mentioned is \$800 per unit, starting in the second year of the cycle. In other words, the equipment going in will meet the minimum specs for the desktop system. I am not sure what they are; I have said they may be 133 and 32 megs and a six-gig hard drive. I do not know what the standard desktop configuration is, but that in years two, three, and four, there will be an accumulation of capital in order to allow for the replacement cycle to begin after the fourth year. I am asking for what that amount will be. I am led to believe by some sources that it is in the order of \$800 per work station per year.

Mr. Downey: I cannot confirm that, Mr. Chairman. It is being centrally funded by government at this point,

and we have not got the charges allocated to our department.

Mr. Sale: Mr. Chairperson, will that charge be allocated out in time, or is the intention that it is to be permanently centrally funded?

Mr. Downey: Mr. Chairman, I do not have the answer to that question.

Mr. Sale: Mr. Chairperson, is the \$515,940 full-year cost going to be added to the base of the department, or is it a find-from-within process?

Mr. Downey: It has been added to the base, Mr. Chairman.

Mr. Sale: Mr. Chairperson, did any staff from the department leave to go to SHL? Was the staff of the department reduced at all to provide for the—I am not sure how many, but I think over 100 staff at SHL have been brought on to provide this service to government.

Mr. Downey: I am informed by the department that there have been no staff transferred out of the department or used for any additional activities in this regard.

* (1630)

Mr. Mervin Tweed, Acting Chairperson, in the Chair

Mr. Sale: So it would be fair to say, then, Mr. Chairperson, that the costs of this system are entirely a new cost to the department and result in, for the operational side, a little over half a million dollars addition to the base costs of the department, with no savings at all.

Mr. Downey: Mr. Chairman, I am informed that that is, in fact, the case, that these costs are additional costs to the department.

Mr. Sale: Mr. Chairperson, how many work stations does the \$515,940 cover?

Mr. Downey: I am told by the department, 200.

Mr. Sale: So, Mr. Chairperson, approximately \$2,600 per year per station?

Mr. Downey: I will have to check his mathematics. That sounds like it could be close.

Mr. Sale: I am just wondering whether the administration is checking my mathematics or not.

Mr. Downey: You get an F.

Mr. Sale: For fairly good. Mr. Chairperson, what is the department receiving in the way of services for this half a million dollars?

Mr. Downey: Basically, Mr. Chairman, I would consider that we are getting value for our money: basically, with the core services and the management systems that go along with the systems that have been bought, some software support, also communications, training, and e-mail capability. So it is, I think, fair to say that there is value for the money that is being spent.

Mr. Sale: Mr. Chairperson, I would like a little more detail on that. My understanding is that the training costs are additional, that per work-station cost does not include training. Could the minister confirm that?

Mr. Downey: There may be some additional training required. This does include a one-unit of training or a base unit of training, Mr. Chairman. Again I am sure that this whole—any of these programs, if people want additional training, they can always be more highly trained, but I would estimate that there is value for the money that is spent.

Mr. Sale: Mr. Chairperson, does the minister use e-mail?

Mr. Downey: When I get time, Mr. Chairman.

Mr. Sale: Mr. Chairperson, when was the last time that he used e-mail?

Mr. Downey: The last time I had time, Mr. Chairman. If the member is really wanting to know whether I can use it and I have the capability, the answer is yes.

Mr. Sale: Then the minister knows that e-mail is a generic component of any network today. There is no such thing as a software package, Windows 95, Windows 97, Windows NT, and it does not much matter what you have got on your computer, e-mail is part of it, and the capacity to have and use e-mail is a generic capacity for anyone on any network today. So I am not sure that any value has been added in the way of e-mail. Would the minister care to comment?

Mr. Downey: No, Mr. Chairman.

Mr. Sale: Okay, so two of the things that the minister asserted are not value. E-mail adds no value; it is essentially free with any computer you buy today. Secondly, the training is simply in the management of the actual desktop that is presented to everybody. It is not training in the use of software per se, but simply in the operation of the desktop system itself, so not much value there.

Could the minister indicate what software packages are supported by the core payment of roughly \$2,600 per machine?

Mr. Downey: I would have to disagree with the member, Mr. Chairman. Every system does not come with e-mail. In fact, that is an unfair blanket statement for him to make. I think, as I said at the outset, the capability of the system as it relates to communications interdepartmentally and for the purposes of the department, that we are getting the value for money. I can say within the software sweep, there is the word processor, spreadsheet, presentations package, web browser, antivirus software. So I think that there is indeed value there, and the member may want to debate it for some time. That is okay, but I am determined and satisfied that we are getting value for the money that has been spent.

Mr. Sale: Mr. Chairperson, is the system that is being made available essentially Windows 95 or is it Windows NT? What is the actual software?

Mr. Downey: I am informed that the base is Windows 95, Mr. Chairman.

Mr. Sale: Mr. Chairperson, what is the software package that is being put in place for a spreadsheet? Is it essentially the Excel, PowerPoint, Word for Windows, MS Word?

Mr. Downey: I am informed it is the Microsoft Suite, Mr. Chairman.

Mr. Sale: Mr. Chairperson, does that include Microsoft Word, Excel and PowerPoint?

Mr. Downey: I am informed that that is positive, Mr. Chairman.

Mr. Sale: Mr. Chairperson, what other software is supported by that core contract, \$2,600 a year per machine?

Mr. Downey: Mr. Chairman, I have basically indicated to the member what it is.

Mr. Sale: Mr. Chairperson, could the minister simply read the additional programs over and above Windows 95 and Microsoft Suite?

Mr. Downey: I have indicated, Mr. Chairman, word processor, spreadsheet, presentations package, web browser and antivirus software.

Mr. Sale: In other words, Mr. Chairperson, essentially what the government has bought is the standard Windows 95, which will be outdated soon and be Windows 97 or 98 or Windows NT, along with the standard Microsoft Suite that is widely used and widely accepted in the industry. The Windows 95 comes with a browser, it comes with e-mail capacity, it comes with antiviral software. So essentially what the government has bought is a Microsoft package mounted on an IBM computer, much as I might buy down at CDC Computers. Is that correct?

Mr. Downey: Mr. Chairman, this whole program, as he knows, has been one which has been centrally purchased by government and participated in by all departments. I do not think it matters what program or what system that the governments proceed to purchase or anybody proceeds to purchase. The fact is that the

programs—first of all, we want them to be compatible. As far as becoming obsolete, the speed of which any of these systems become obsolete is very rapid.

I would hope, and I am confident that these will provide services to the government to which we will get the services that we are looking for. It has the capability that government needed, and quite frankly I am satisfied that it does not matter what package or what program, what system one would have bought, they are all dated. So there is not any question. It is a matter of judgment as to whether or not government got the best or what system is the best. We are satisfied that this will meet the needs of the department.

* (1640)

Mr. Sale: Mr. Chairperson, I understand that this was centrally directed. It was directed out of the better services, Better Systems, Better Methods initiative that is housed in the First Minister's (Mr. Filmon) responsibility, that this was a central initiative of government. It affects every department, and those of us who played with computers for some years are wondering what in the world possessed government to be willing to lay out \$2,600 per station per year to get support for a program that when you buy a computer it is mounted—for the most part—and there is on-line support, a wealth of technical manuals available.

Quite frankly, in every department there are people as competent as anybody at Systemhouse to tell you how to use Microsoft Word. Microsoft Word has been used for years in government and very large numbers of people are very competent and capable with it. Spreadsheets are spreadsheets. Once you have learned how to use one spreadsheet, there is very little difference between Excel and Quattro Pro and D-base or whatever one you want to look at. They are all spreadsheets. They are all essentially operating in the same way with various little gimmicks that may distinguish one from another, but they are not very different.

As the minister probably knows, you can import one spreadsheet into another database manager and it does not make much difference. Presentation packages, they vary a little bit. PowerPoint is a little different from

Harvard Graphics, for example, which is an older program now, but they are not terribly different. Anybody who gets comfortable with one design package can easily adapt to another.

The point, Mr. Chairperson, is that there was probably some value in upgrading hardware to a standard so that everybody had the same machines. There is no question that it was very frustrating when I worked for government, and there is no question that in our caucus it is very frustrating to have a mess of machines ranging from old 386s through to brand-new 433s or 533s which can process anything at the speed of light. So no question that it was a good idea to articulate standards, and since the government has a whole lot of income it does not want to acknowledge coming in, it is probably a good place to spend some of it to bring its systems up to date.

But the expenditure of an ongoing amount of more than \$25 million a year to simply maintain what Bill Gates puts on every machine he has control over, which is most of the industry in fact, is a boondoggle, not to put it too faintly. It is a boondoggle. Systemhouse has got themselves one sweet deal. They are providing no support to anything sophisticated except they are an extra cost.

If I have a problem with Microsoft Word, I go to one of the secretaries who have been using it for five years and say, I have a problem, what can I do? And they usually have about 30 seconds' worth of sage advice and most of the time they are right. The new protocol is you cannot ask anybody for help. You cannot say to your neighbour on the machine next to you, I have a problem with my spreadsheet, can you help me? You are supposed to pick up the phone and call Systemhouse and get your help from Systemhouse.

Mr. Chairperson in the Chair

Well, you know, in any workplace there is a kind of culture of staff support and staff friendship. Staff develop different competencies and they get to be seen as: Joe is really good on spreadsheets; Sally is very good on presentation packages; and Frank knows word processing. So there gets to be a kind of lead hand; there gets to be a mentoring process. Some of the

building of staff competencies, some of the building of relationships that make teamwork function, that is why people help each other in the workplace, so this new initiative is a very tayloristic—oh, Frederic Taylor was the father of time-motion studies and anybody who has been involved in one of those knows what they are all about. Do not talk to your colleagues, do not talk to your co-workers; phone somebody over at Systemhouse and see if they can help you.

In some departments people have been told they cannot go for help to anybody that knows the system anymore. If it is not one of the standard systems, they phone Systemhouse and Systemhouse charges them for referring them to the help desk they used to call directly. Now this is ludicrous. I want to ask the minister what major software packages—I do not want to know all of them because there are probably 60 or 70 of them in the department that are maintained—does the department use apart from Microsoft Works?

Mr. Downey: I am informed by the department that basically we are still using the WordPerfect system and will be transitioning to the new system in May and June.

Mr. Sale: Mr. Chairperson, I am sure that is only a fraction of what the minister's department uses. For example, they have economic modelling software. What software do they use to support their economic modelling function?

Mr. Downey: For example, in the area of Manitoba Bureau of Statistics, they have their own system, economic modelling, which they use. As we said at the outset, we are in a transition period. I think as the new system gets introduced, what capabilities we have currently for the needs of the department will be worked in with the development of the new system. So it is not a matter of just saying today is this and tomorrow it will be that. I think it is a matter that as we phase in we will be in fact fully utilizing the equipment that is being put in place to carry out the activities of the department.

Mr. Sale: Mr. Chairperson, the minister did not answer my question. What other software is in major use in the department? For example, graphics

packages, database management packages, draw packages, economic modelling software. Are they using SPSS? What other software packages are in major use in this department?

Mr. Downey: I will get that detailed information for the member, Mr. Chairman.

Mr. Sale: I thank the minister for that. What is the hourly or minimum rate that SHL charges for support for packages that are not included in the base package?

Mr. Downey: I am informed, Mr. Chairman, by the department, that will be provided in-house by the department.

Mr. Sale: Mr. Chairperson, does SHL Systemhouse charge for referral calls to other software support?

Mr. Downey: To this point, Mr. Chairman, we have not been charged any additional charges by SHL.

Mr. Sale: Mr. Chairperson, I am not surprised by that answer because the initiative just started. There will be a schedule in the hands of the administration of the department that will indicate what the charges are to be for support services not covered under the core agreement. What is the hourly rate for those charges?

Mr. Downey: We do not have that, Mr. Chairman.

* (1650)

Mr. Sale: Will the minister undertake to inquire as to what rate SHL is charging for additional services over and above the core services?

Mr. Downey: I will make best effort to get that information, Mr. Chairman.

Mr. Sale: I think with the understanding, Mr. Chairperson, that we may need to come back to this for the answers, hopefully the minister will be able to provide then we could pass this section.

Mr. Chairperson: Item 10.1.(c)(1) Salaries and Employee Benefits \$678,800—pass; (2) Other

Expenditures \$309,900—pass; (3) Computer Services \$110,000.

Mr. Sale: Mr. Chairperson, the \$110,000 for Computer Services, does the Systemhouse SHL contract have anything to do with that amount or is that entirely separate?

Mr. Downey: Mr. Chairman, 25 of that amount is for SHL systems. Well, that was the question; that is the answer.

Mr. Sale: Mr. Chairperson, so SHL is receiving \$515,000 on an annual basis for its services under the desktop management and a further \$25,000 under Computer Services. Is this correct?

Mr. Downey: I am told, Mr. Chairman, that 515 is after netting off the 25 that I referred to in my answer previously. The amount that is being paid in total to Systemhouse is the 515, of which the 25 has already been accounted for as part of that number.

Mr. Sale: Mr. Chairperson, what is the \$25,000 in this line for?

Mr. Downey: As I indicated at the outset, the 25 is part of the 515 which goes against the per-unit services charge, and the 85 which he refers to as the balance goes to in-house costs of the department.

Mr. Sale: So, Mr. Chairperson, is then note one incorrect? Because it identifies the desktop management as only referring to Other Operating and not to the Computer Services line. If the 25 is part of the desktop, then presumably there should have been a note to that regard.

Mr. Downey: Mr. Chairman, there is no change in the line which the member has referred to. The 110 stays consistent with last year, 110—yes, it is other operating which is the Systemhouse costs which we made reference to at the outset. So the 110 stays consistent, and 25 of that, as I said, is part of the 515 that goes to Systemhouse as part of the government-wide desktop initiative, of which our share is that amount of money,

and 85 is retained within this line for other internal activities in the whole area of Computer Services.

Mr. Sale: Mr. Chairperson, I am having a great deal of difficulty following that kind of line of argument, because the minister has indicated that the Desktop Management Initiatives is new. Now he is also indicating that \$25,000 of the \$515,000 is old, because it was here last year too. So is the department receiving other services from Systemhouse that it has been receiving in previous years, and so is the minister's first answer perhaps not complete?

Mr. Downey: Mr. Chairman, the 515—I apologize for confusion. It is my understanding that this allocation of the \$25,000 referred to is money that would have been used. We would have had to, in fact, have \$540,000 of new money for Systemhouse. We have used \$25,000 out of our original budget, which was budgeted for the Computer Services, which brings a net of \$515,000 new money, \$25,000 is being allocated as part of that expenditure.

Mr. Sale: So, Mr. Chairperson, then the total on Systemhouse is \$540,000 not \$515,000.

Mr. Downey: Mr. Chairman, I think we have to take a minute in caucus here to get this thing sorted out.

Mr. Sale: Mr. Chairperson, if I could suggest, why does the minister not bring that answer back tomorrow.

Mr. Downey: We will get that spelled out clearly. I apologize.

Mr. Sale: Mr. Chairperson, could he also then, in that process, indicate whether any of the balance of \$85,000 is contracted services or whether this is all spent internally in the department in some form? It is difficult for me to understand how that might be. I would think some of it must be contracted, but anyway, if he could undertake to do that as well, and maybe we might just agree that we could pass to the bottom of the Subtotal (c) line and then call it five o'clock.

Mr. Chairperson: Item 10.1. Administration and Finance (c) Financial and Administrative Services (3) Computer Services \$110,000—pass.

The time being five o'clock, time for private members' hour. Committee rise.

EDUCATION AND TRAINING

Mr. Chairperson (Marcel Laurendeau): Will the Committee of Supply come to order, please. This section of the Committee of Supply has been dealing with the Estimates of the Department of Education and Training. Would the minister's staff please enter the Chamber at this time.

We are on Resolution 16.3. Bureau de l'éducation française (a) Division Administration (1) Salaries and Employee Benefits.

Mr. Edward Helwer, Acting Chairperson, in the Chair

Ms. Jean Friesen (Wolseley): Mr. Chairman, I would like to ask the minister about the Canada-Manitoba agreement on Francophone Schools Governance, as well as the Canada-Manitoba agreement that extends to post-secondary education. I wonder if the minister could tell us where those agreements stand at the moment?

Hon. Linda McIntosh (Minister of Education and Training): Mr. Chairman, we are in the process of attempting to negotiate an agreement with the federal government with regard to St. Boniface College, and with the DSFM, that Canada-Manitoba Agreement is in the winding down stage. We have had tremendous impact experienced from the cuts in the OLE payments. That has really affected all French language education in Manitoba right from French Immersion, which is down now to, I think, \$205. We were paying \$125. Yes, \$250 was the total amount there, so those kinds of impacts have been felt right through all our French language education. We are still paying our 50 percent. What was one time 50 percent for French Immersion is now a great higher percentage than that, because the feds, I think, are down to \$75 or something like that there. I am not sure of the amounts.

At any rate, the short answer: we are negotiating on the college, we are winding down the agreement on the DSFM, and we do not have any side agreements going.

* (1520)

Ms. Friesen: Mr. Chairman, on the issue of the college, I attended the meeting, and I am sure the minister has read the material from the college on their proposals to double their enrolment, to increase the number of programs. I understand the province has its money, if not on the table, certainly promised when the federal money comes through, and that I certainly support. I am wondering what the problem is with the federal money. Why is it not there?

Mrs. McIntosh: If I knew that, I would be able to get it better. The ministers of Education of Canada met with Paul Martin and Pierre Pettigrew about a month and a half ago. We had drawn the attention on several occasions to Sheila Copps. Pierre Pettigrew indicated that he did not realize the impact of the OLE cuts. Paul Martin, to his credit, indicated that he did, but he had not realized that it would be that difficult for us. So he had known the size but not the full impact, and he indicated that he would go back and take a second look at it.

We had not heard back from him at that point, but all ministers across the nation, in turn, took the opportunity to share with the two federal ministers how it was affecting their provinces, how those cuts were affecting their provinces, and Monsieur Martin indicated that while he had known the size of the cut, that impact was something that he had not fully understood. He would take it back and rethink it and respond back to us, but that has not yet occurred.

I do not know why. As far as I can understand, it was a budget-cutting exercise. There was no rationale that any of the ministers could offer.

Ms. Friesen: I am having difficulty understanding again. I am sure the minister is, too. As a budget-cutting exercise, it would seem to have preceded the plans or at least the fully developed and presented plans of the college. So I am not sure what is happening there in terms of timing. The college presumably developed these plans, good plans, with the prospect that federal money would be there, and now it appears that there are, let us say, delays. How does the timing or how has the timing of that worked?

Mrs. McIntosh: It is worrisome to us. Some five years ago, approximately, the federal government cut the OLE funding mid-year, which was extremely awkward for the government, and then this year they have announced, as the member indicates, a budget reduction in OLE as we are negotiating with them on the OLE money that we hope will be there for St. Boniface College.

We have kept our portion up in terms of provincial funding for the college. We continue to negotiate with them, but they have indicated there are a fewer dollars in OLE available, so we are still in there saying it would be good if you could match us anyhow, because our feeling is and my personal feeling is that the federal government starts a lot of really good initiatives with the pledge of 50 percent funding, that they would spend half and we would spend half and that that would last into infinity. It is not a head start; it is not a seed money situation; it is money for perpetuity.

Then once the program or whatever the thing is is well established and people are accustomed to it and have expectations for it, the federal government pulls out, leaves the province sitting there with not enough money to really do the job properly without taking the money from some place else that would then be really badly depleted. Particularly, I feel, in French language or minority language, English language in Quebec, that the federal government has a responsibility to contribute. In the case of St. Boniface College, it is the only French language educational institution offering university courses west of—[interjection]

That is right, but it is one of a limited number, let us put it that way. If we are to be promoting, as the federal government says, promote and enhance and preserve and protect and all of those fine words the minority official language, it seems odd to pull out the money for that initiative when this, to me, is definitely something that goes beyond a provincial obligation. To me, this one is. The DSFM, I can see that head start money is good, and it becomes a provincial obligation, but at the post-secondary level I really think that is a Canadian interest and should be shared with a fairly healthy federal input.

I cannot really answer the member's question. I am as perplexed and upset about it as she is, and I am not

the only minister, unfortunately, in Canada to feel that way about the funding for French language education.

Ms. Friesen: I am assuming the minister does not have a date when she can expect a response from the federal government?

Mrs. McIntosh: It is our hope that we will have an agreement by the end of June. We would like to have one sooner, but we are not certain that we will even have it then. The people here are negotiating very intensely with the view to try to have something decided by the end of June so that an announcement can be made in a relatively timely fashion for the next year. Although it is cutting it close, it is still possible, but that is our hope. I do not know if it will come true, but we are sure working hard on it.

Ms. Friesen: I would like to ask about the French immersion programs and the changes in enrollment in that over the last couple of years, if the minister has those numbers. I do not think we got to this line last time in Estimates.

Mrs. McIntosh: I am sorry. I am having a little trouble hearing. I wonder if the member would be kind enough just to repeat that. I have noticed in the last couple of days, for some reason, I am not always catching it. Sometimes the mike comes through really well, and then sometimes it just does not quite carry, but I missed what it is she is looking for.

Ms. Friesen: I think they have turned up the volume. It is true, I think, that the minister, on a couple of occasions, did not hear things that I said. What I am looking for now is French immersion fluctuations in enrollment, whatever numbers you have here that would perhaps give us a sense of the last couple of years.

* (1530)

Mrs. McIntosh: In 1996-97 in French immersion, there were 18,780 students, and in 1997-98 in French immersion, there were 18,196 students for a difference of 584 students across the province.

Ms. Friesen: Does the minister have a general sense from her staff here of how those numbers have changed

over the period of the last five years? I am thinking, particularly, since the reduction in grants. I know that is not the only impact, but if there is a general sense of increase, decline, at what rate? Is it a steady rate of increase or decline? Are there percentages that the staff or minister has available?

Mrs. McIntosh: The staff has provided me with a graph which shows French immersion enrollment in 1974 being around 600. I am approximating it because I cannot quite—I think it says 652 in 1974. This year, in 1997, we are at 18,196, but in the meantime the graph has gone up to a peak in 1991 when it reached a peak of 19,751 students, and it has been just gradually declining a little bit each year until it has come down this year to that 18,196 from that 1991 peak.

Ms. Friesen: Does the minister have any sense of—or has there been any research done in the department on the impact of the creation of the DSFM on immersion enrollment? Is there a relationship between the two?

Mrs. McIntosh: It is a good question. We have not noticed a corresponding decrease in French immersion as DSFM has come into being. We have got about 4,600 students in the DSFM. That is more than the slippage out of French Immersion, and it has not all occurred simultaneously. We do know that there are what we call entitled persons who are entitled to the French governance system, who are in French Immersion, and that the DSFM would understandably enjoy seeing them become part of the DSFM system.

But how many have actually made that move is something that we do not know. We know how many are down in French Immersion, we know how many are in DSFM, but would they have gone to French Immersion, those who were in DSFM, if DSFM were not there? It is hard to know. So we do not have a direct correlation.

Ms. Friesen: I wanted to ask about the long-standing concerns that the DSFM has had about the classe d'accueil. Could the minister tell me what has happened on that in the past year and what she is looking at for the current year? Is there extra spending, for example, in these lines that we should be aware of on that?

Mrs. McIntosh: This year, '97-98, a new categorical grant was approved for the programme d'accueil at a rate of \$660 per eligible pupil. The total cost to that was \$363,700 to be exact. In the 1998-99 year a special grant of \$240 per pupil will be provided through other support over and above that amount. This is additional funding and it represents the portion of the programme d'accueil that is not met through the transfer of special levy funds from other school divisions and that was a part of the concern that the DSFM had.

The total \$900 per pupil, that \$660 plus the \$240, results in funding of about \$450,000, and that is based on an eligible enrollment of 500 pupils. It requires incremental funding of about \$85,000 for that '98-99 year.

* (1540)

Ms. Friesen: I am looking at the long-term issue here and whether the minister believes that the classe d'accueil is a situation that is the need to have extra assistance in smaller classes for students who may not have had as much exposure to the French language at home as perhaps the schools would have liked. I think that is basically the issue. The minister is saying, yes, there is a two-year program in place, more money next year compared to this year. Is this a twilight program? Does the minister expect that now the DSFM is in place, now that parents know that they have a place to send their children where there will be French milieu from the beginning, that the exposure to French can be implemented in the home? Or is the minister anticipating that because of the larger environment, the overwhelming impact of English in Manitoba, that this will be a continuing problem and will need continuing funding?

Mrs. McIntosh: We anticipate that this will be an ongoing requirement to some degree or another, although certainly the factor that the member mentioned could have some bearing on parents making a concerted effort in the home to speak French when the children are little, but even in days past, there were always Francais programs they could go into.

Part of the problem, as identified to us by the DSFM people, is that in mixed marriages—I do not know what

else to call them, you know, where you have a Francophone marrying an English-speaking person—if the mother or the parent who stays at home and does the nurturing, or if the daycare facility that does the nurturing, is primarily Anglophone and the wage earner is the Francophone, the child gets exposed more to the English than to the French. That probably will not change that much because the wage earner and the caregiver in families may not necessarily have the caregiver being the Francophone, and children will learn what they hear, so to speak.

So we anticipate, according to what has been experienced so far, that there will always be some need for this. So we are committed to continuing the program and funding the program. It might be that some years there will be no take-up on it, i.e., there might be some years where there is no intake for it, but the following year there might be. So I expect that there is always going to be, in any given year, a number of families who feel they require this in order to offset the assimilation that occurred in the first five years of life.

Ms. Friesen: So this is not conceived of as a transitional program, basically, and the minister has said that it comes out of categorical grants, so the place we should look for this is in the FRAME Report, not in the Estimates here. Is that what I understand?

Mrs. McIntosh: Yes, Mr. Chairman.

Ms. Friesen: When the DSFM was set up initially, I believe that there was a \$15-million commitment from the provincial government. I know that there was some debate in the first year, at least, of how that commitment was to have been met. Could the minister tell us how it has been met?

Mrs. McIntosh: Mr. Chairman, I just found out a source of some of the money here and I am steaming as I look at it. I did not realize until just now in talking to staff here that the federal money for some of this had come—well, for all of it, I guess—from the OLE reductions over the time. Now, if I was upset before, I am twice as upset, but what are you going to do?

In May of 1993, Monique Landry, who was the Secretary of State, made a unilateral announcement of \$112 million, which was going to go to all provinces in Canada who were implementing French school board governance. Manitoba's portion of that was \$15 million, but this was a unilateral announcement. There was no consultation, no checking to see what was going to work for the provinces.

The expectation was there. Manitoba's share was going to be \$15 million. The expectation would be that Manitoba would match either in kind or in dollars. We did a lot of in-kind matching, and we did in fact meet the obligation. All of that money, that \$112 million, came from OLE reductions, which I think just sort of adds salt to the wound and stings a little smarter and a little deeper and a little longer than simply—because the money could so easily have just been provided. We would have known what to do with it in terms of meeting the needs here in Manitoba very well. At any rate, that is how it went.

* (1550)

Our \$15 million we provided schools in kind. Through the regular grant system, we also ensured that furniture of schools, et cetera, were there, provided for the DSFM. So they of course have the funding coming from the sending divisions to them. We set up a formula that we thought would flow money to them on a per capita basis based upon what the sending division had for their own circumstances. We felt it was the fairest way of trying to arrange a rather complicated governance structure due to the fact that it is one board for the entire province with students coming from such wide distances from each other, little pockets of communities here and there, plus portions of the city. I think it is working all right.

There never is enough money it seems in any area of education to fully satisfy all the desires, but I believe we have done a very credible job about meeting the needs, which are a little different from the wants. I think we have met some of the wants too.

Ms. Friesen: My question was about the provincial portion, which the minister said was provided in kind and in equipment. Obviously, I am sure the minister is aware of the concerns in the DSFM at the time about

this. I think it was certainly anticipated that some if not all of the \$15 million would be provided in cash, the argument being of course that the schools and the equipment had already been paid for by taxpayers and that this was a transfer of goods which had already been paid by taxes by including those who would now be part of the DSFM.

So I wonder if the minister has two things I am looking for. One is an accounting of the goods and equipment which was provided, which schools, what kind of money or dollar sign was allocated to those schools and equipment to make up the \$15 million. I quite understand the minister may not have that with her, but I am looking for that sort of accounting.

Secondly, what would have led Franco-Manitobans and the DSFM in particular to believe that it would have been in cash rather than in kind? Is there a section of the legal agreement which the minister can point me to that would indicate that the government had always intended that this be paid in kind and that that had been made clear to Franco-Manitobans?

Mrs. McIntosh: Mr. Chairman, I do not know where the DSFM felt that the agreement referred to cash. It was never anything that the government put forward as an expectation. It may have been their own expectation, but it certainly was never an understanding that it would be cash or that it would be new dollars. Never in writing in any of the agreements or in any of the dialogue was there an indication there would be new money going into this or that it would be cash instead of kind.

In fact, even in the agreement itself, there is a clause that the Government of Canada, and I am paraphrasing it, but it says that the Government of Canada recognizes that the support provided by the Manitoba government, which is our regular grant system support, appropriately matches the supplementary funding provided by Canada. So that clarification is in the agreement, but still I think the desires of the DSFM would have been for new money and that it be cash. Certainly I can say from our perspective, our desire would have been that from the federal government there would have been new money too, and not recycled OLE reduction money.

But anyhow, they have said that the regular grant system fit with the expectation and understanding, again, going back to the original statement I made in the earlier question in that this was a unilateral announcement from Ottawa at the time that had not had provincial consultation involved in it.

Ms. Friesen: Mr. Chairman, there appears to be a relatively stable enrollment in immersion. I mean, 500, a drop of 500 is actually significant, but I do not have a longer set of numbers so I cannot tell how significant, and I assume a relatively stable enrollment in the DSFM.

I wondered if the minister has done a study, concluded a study, dealing with the teacher requirements for immersion and Francais schools.

* (1600)

Mrs. McIntosh: I am going to back up for just a moment because as I am contemplating the answer, I remember when the first French immersion school came in in St. James-Assiniboia around 1980, '79-80, somewhere around there, we did have a hard time finding teachers at that point. It was still relatively new in the province—I am talking 18 years ago now, which seems hard to believe—but I think that has really changed.

We have had a lot of teachers graduate from St. Boniface College, for example, where the bulk will be studying, and staff have indicated two phenomena that we have noted in terms of teacher populations, and that is that the English language system and the Francais system from which the DSFM teachers have mostly come have a fair number of teachers within five to 10 years of retirement, whereas in the French immersion stream, the teachers are still relatively new. If I talk about 1980 being kind of a start year for one division, that is still less than 20 years of a teaching career, but many have started up since that time.

So we have a fair number of teachers who are young or still in their early careers who will probably be sticking around for awhile, so hence we are not seeing the same turnover that we are starting to see even now in the English programs and the Francais, where the

early retirements are starting to take place in this big body of teachers who are now sort of mid-fifties in age.

So we may have a higher need in a few years for the DSFM and the Francais, for new teachers, but we will be able to meet those with the numbers of new graduates because they are graduating in good numbers, and, in fact, not all graduates from the French education faculty have yet got jobs. They used to always get jobs right away, but those jobs are now being filled and held by people who are not leaving them, so it is starting now. Supply and demand are starting to match.

Ms. Friesen: I would think Mr. Chairman, that this is a relatively small population and that it would not be a difficult task to actually look at the numbers of graduates that there have been from CUSB and to look at the age structure of each of the three different populations that the minister has mentioned.

I get the sense in what the minister is giving me that it is essentially anecdotal material. Now, I might be misjudging that, but I would like some confirmation, and I am curious as to why that study does not exist. If it does exist in the minister's office, is it possible for the minister to table it at a later date?

I mean, 1980 may have been the first time in St. James, but there were other divisions which began quite a bit earlier. Winnipeg 1, for example, began in '74 with Sacre-Coeur and other schools followed from that. So, I think, the generation may go back a little further than the minister is suggesting, and, given such a small population of teachers, it seems to me that this would be a most interesting and very useful set of predictions as to what we will need in teacher training for each of the three French streams—the basic French, the immersion and Francais. So I am asking has that been done? Could it be done? Why has it not been done?

Mrs. McIntosh: No, we do not have formal studies done in the sense that the member is asking, so we do not have studies to table. But she is right, the field is not that large, and it has been possible for staff to anecdotally have a pretty good sense of where things are. Some five or six years ago, they did a study and

they found that the supply of teachers was matching, if not exceeding, the demand. So there was no problem in terms of supply that they thought would warrant taking the time and the energy to do further studies when perhaps the time and energies could be better spent doing some of the worthwhile things they have been doing, like working on curriculum and dealing with things like the phase d'accueil, those kinds of things that utilize their talents in a very definite way.

It is not that they are not interested and they do not have a feel for it. They are very interested and they have a very good feel for it, but we do not have formal ongoing research study into the supply and demand. It is mostly an anecdotal thing and I think it has been pretty good, because we are seeming to turn out about what we are requiring on an annual basis and always looking ahead. The college does this, as well, trying to anticipate for admission purposes how many are going to be required in the field, always understanding there would be some who would like to have that training, who might then wish to go into journalism or something else with that training to become an education reporter or those types of areas that they may not be teaching in the classroom.

So we can give you the anecdotal stuff. We can give you our sense of it but I do not have a study to table on that.

Ms. Friesen: So is it the intention then of the minister in transferring teacher education in immersion and basic French from the University of Manitoba to College Saint Boniface to increase the number of graduates, or is it the intention to maintain a stable number? The minister is saying that, oh, five years ago they did a study. Supply seemed to match demand. There did not seem to be a problem. What direction are we going with numbers and production and supply with this transfer?

* (1610)

Mrs. McIntosh: The moving of the instruction of those who are going to become French teachers to St. Boniface was not done in terms of concerns about supply and demand but rather to build on the concept of centres of excellence. It was felt by the decision

makers that centring those who are experts in the teaching of French, particularly as it applies to those who are going to be teaching children who are learning in French, that a centre of excellence could best be created by bringing those specialists together into one setting. The logical place of course to do that would be Saint Boniface College, bearing in mind that the Saint Boniface College grads are affiliated with the University of Manitoba. So there is a connection there that continues to exist. That was the rationale. I do not expect, from all that I have been told and all that has been indicated, that it would affect the numbers in terms of either building them up or decreasing them but rather would provide that more intense milieu for instructional purposes.

Ms. Friesen: Well, I think the minister probably is aware that there is a concern that there will be slippage, that there will be a loss of students, not necessarily in the immersion for those who are going to teach in immersion programs or Francais programs, but those who might have been enabled to have basic French as a second or possibly even a first teachable. We will not know obviously until those enrollments over the next few years take place and the graduations take place. But I just wanted to say for the record that that is one of the concerns about the movement, that it is the basic French people who may be at risk. It may not happen, we do not know, but something that I think the minister, if she is not aware of, might want to be aware of.

I wanted to ask the minister about two elements on the actual numbers on the page. There is an increase of six staff in this area of the department. I wonder if the minister could tell me what those six staff will be deployed for? They are listed, I think, primarily as administrative support.

Mrs. McIntosh: Basically, it is a saw-off between support staff and professional staff. The BEF is responsible for curriculum development and assessment functions as well as all their other duties. We have been very involved in the new curriculum development—mathematics, the French language arts and with the Western Protocol. Manitoba took the lead, in fact, on the French mathematics and en

français, the French language arts, and a lot of work that was done there. That is the response to that.

I just wanted to harken back to the comments on the St. Boniface University, and it may have been that initially there was a concern over the basic French. I recall a little bit about it at the time. There has not been recently because when the issue was raised originally, immediately I think there were arrangements made where the professors from St. B. could scoot over to the university campus for the basic French so those students would not be dislodged, but all the professors would have the benefit of working as a unit.

So that was a concern I heard expressed originally. I have not heard it in this last year, and I thought it had been very quickly and satisfactorily addressed. It is something I will keep my eyes peeled for in case it still is lurking there some place, but I do believe that that has been settled. So that is for both of those the answer.

Ms. Friesen: Mr. Chairman, how many of the six positions are dealing with assessment?

Mrs. McIntosh: In the bureau we have of the new staff doing assessment functions: one consultant, two analysts, and four who are support staff.

Ms. Friesen: Could the minister explain why there is such an enormous jump in professional fees this coming year? It goes from \$2,500 to \$330,000, and does the minister have a list of the projects that will be covered under that, or any of the people or persons or individual grants that may already have been let in that program?

Mrs. McIntosh: Yes, I wonder if they will be going to say which sum appropriation are you referring to.

Ms. Friesen: Item 16.3.(d) Professional Fees, 1997-98, \$2,500; '98-99, \$330,100; and I am on page 79 of the Supplementary Estimates.

Mrs. McIntosh: We have had high costs associated with translation over and above our regular translation services. You will see that reflected in that large

increase that the member has just identified. We have had a tremendous amount of translation in this budget.

* (1620)

Ms. Friesen: Could the minister explain the kind of translation that is being done this coming year that has not been done in the past? Is this translation for examinations? Are the exams being translated, or are they being written in French, first of all?

Secondly, I assume that some of this is curriculum. Again, is curriculum being translated rather than written? I ask this for a purpose, because I do not know if the minister is aware of the considerable concern—let us put it that way; it is actually a little more stronger than that—that have arisen in Quebec over the translation of examinations.

Mr. Chairperson in the Chair

Mrs. McIntosh: I am quite conversant with what the member is saying in terms of curriculum development, et cetera, and we are very conscious of that and have several different techniques we are using depending on the subject, and if it is Western Protocol or Pan-Canadian, Manitoba worked on the Pan-Canadian science frameworks. Manitoba was the lead, very challenging, very interesting work that was done there.

A lot of the work we do we develop ourselves. Sometimes a translation will be used, a French translation of an English work will be used as a starting point for developing. Sometimes we work in parallel, science and phys ed. We use parallelism developing curriculum, but we use translation. We have a tremendous number of—we have increased correspondence with the field, particularly now with the DSFM up and running and the number of things that have happened in this last year in terms of trying to establish schools, et cetera. All those letters, all those documents, everything has to be translated. So we have correspondence going back and forth on a number of these sensitive issues that are sometimes very lengthy pieces of correspondence. Policy documents, curriculum documents coming up from the department, everything must go to the field simultaneously in French and in English. That involves translation both

ways. We are also translating from the French into the English. So just for the record, while we have an increase in the volume of paperwork, documents, policies, correspondence, et cetera, and some translation in curriculum development, a lot of our curriculum development is not done as a straight translation but rather as a parallel development.

In terms of assessment, the member had asked something about assessment. Those as well have to be—if there are documents going out to the schools talking about our expectations on assessment, et cetera, everything has to be translated for the record and for copies to people, et cetera.

* (1630)

Ms. Friesen: But, Mr. Chairman, the DSFM was in place last year. Curriculum was being developed last year. Exams were being written last year and, yes, there are more exams, I understand that. I can accept that there is perhaps some more curriculum, and I know translation is very expensive, but from \$2,000 to \$300,000 is an enormous jump. What I asked the minister for was a list of projects that will be specifically covered by this \$330,000 increase, not a \$330,000 increase, but the \$330,000 proposed for '98-99 for professional fees.

Mrs. McIntosh: Yes, this may help clarify the situation in terms of—I have indicated what we spend the money on. This may help the member understand how the money comes to us and explain why these figures are so different.

Translation Services here in government allows us in the Department of Education a certain number of pages that they will translate, and we are the single, biggest user. The Bureau de l'éducation français is the single biggest in the department and the Department of Education. That branch in our department is constantly having to—I mean, we deal in education, it is a written down kind of a world.

We have been well over that number every year, the number of pages that Translation Services permits us, well over the number every year, and once we are over that number we have to pay. Based on our experience

in the last three years, the number you see in the budget this year is the number that we expect to spend. The number that we had last year, we overspent, but that was vastly underestimated and we ended up having to pay more than we budgeted. So now we have taken the last three years and plugged in that number as our estimate.

Ms. Friesen: So I understand that \$330,000 is a transfer to another area of government, and I wonder why it is not listed under Grants and Transfer Payments. As I understood, and staff is looking puzzled, but I understood in an earlier question I asked, when I asked about the increase in a particular transfer payment, it seemed to be going to another area of government. I think it was the middle years project.

Mrs. McIntosh: Translation Services will hire people from outside of government—I will back up and say, the Department of Education has to pay for that supplement, we have to pay for it, and the Translation Services will hire someone from outside of government to do the contract work, but Education pays for it. It does not get transferred to another part of the department. It goes to Translation Services who in turn will utilize somebody to do translation, but the money that they have got comes from the Department of Education. So it does not get used for another portion of the Department of Education.

Ms. Friesen: I am sorry, I still do not understand that. We are not talking about a transfer to the Translation section of the Department of Culture, Heritage and Recreation then. We are not talking about transferring it to another department—that is what I meant by “department”—Culture, Heritage and Recreation Translation Bureau who then hires private contract translators.

Mrs. McIntosh: Yes, I think that helps clarify it for me. I had thought the member was looking to see it transferred to another branch of the Education department. In fact, it is sent over to Translation Services in that department—Culture, Heritage and Citizenship.

Ms. Friesen: So how does one acquire an accounting of that \$330,000? How do I find out where it has gone,

where the contracts are, what it was used for? Where is the accountability on that line? Does it rest with this department—with this, sorry, with—yes, with this department, as opposed to Culture, Heritage and Citizenship?

Mrs. McIntosh: I would imagine the Public Accounts system—we do not have that, obviously, in our department. We can get it for her. Staff has indicated they can, but they do not have it here now, but they could provide it, bring it in when we next sit or as soon as possible.

Ms. Friesen: I would appreciate that because Public Accounts, although it will list individual contracts, will not enable me to see where that \$330,000 has gone because it would not be possible to distinguish translation contracts here as opposed to translation contracts in Industry, Trade and Tourism, for example. So I look forward to the minister bringing an indication of what is covered under that \$330,000, where the payments go, if it goes to another branch of the Province of Manitoba, and from that, where the individual contracts are given, and how one can track that in the General Accounts. Is that possible?

Mrs. McIntosh: What we can provide for the member would be a record of expenditure. As I say, not today, but we could get that for her. If she is looking for a forecast, that would be a different matter. We could give our best estimate of expenditure forecast, we could do that, and we could provide a record of expenditure from the past. So we could do those two things if that is helpful.

Ms. Friesen: Yes, thank you, Mr. Chairman, that would be helpful.

Mr. Chairperson: Shall the item pass? Pass.

16.3.(a)(2) Other Expenditures \$23,700—pass.

16.3.(b) Curriculum Development and Implementation (1) Salaries and Employee Benefits \$1,273,000—pass; (2) Other Expenditures \$788,000—pass.

16.3.(c) Educational Support Services (1) Salaries and Employee Benefits \$1,050,900—pass; (2) Other Expenditures \$543,800—pass.

* (1640)

16.3.(d) Official Languages Programs and Administrative Services (1) Salaries and Employee Benefits \$801,700—pass; (2) Other Expenditures \$823,800—pass; (3) Assistance \$376,700—pass.

16.3.(e) Library and Materials Production (1) Salaries and Employee Benefits \$440,200—pass; (2) Other Expenditures \$263,300—pass.

Resolution 16.3: RESOLVED that there be granted to Her Majesty a sum not exceeding \$6,521,500 for Education and Training for the fiscal year ending the 31st day of March, 1999.

We will now move on to Resolution 16.4 Support to Schools (a) Schools Finance (1) Salaries and Employee Benefits \$789,800.

Maybe we will just take one moment for the staff to change over. The honourable minister, to recognize the staff present.

Mrs. McIntosh: Yes, with me from the Finance portion of the department, I have Jim Glen, Gerald Farthing, Steve Power.

Mr. Daryl Reid (Transcona): Mr. Chairperson, I wanted to ask some questions with respect to this segment of the Department of Education Estimates. It is my understanding under the Activity Identification it references major capital projects as part of the activities. There was an announcement that occurred, I believe, through the Department of Education in the last fiscal year and, I believe, again this fiscal year wherein the department and through the minister have announced that the Transcona Collegiate Institute has received, through the department anyway, approval in principle with respect to upgrades for that particular collegiate. Last year, of course, that project did not go forward. I was disappointed that we did not see any activity take place with respect to upgrading of that collegiate.

It is my understanding that the minister made an announcement through her department earlier this year prior to the start of this session, and it is my understanding that there is some confusion right now on whether or not that particular upgrading is going to take place for the Transcona Collegiate in this fiscal year.

I want to ask the minister, has her department made any official communications? Has there been anything in writing that she can provide for us that would give some level of assurance that that project, that upgrading of Transcona Collegiate will proceed this fiscal year?

Mrs. McIntosh: Yes, this actually comes under 16.7.(a) when we have the Public Schools Finance Board people in. All I have here—this comes under a different section of the book. This is the Finance Branch. The Public Schools Finance Board deals with the capitals, but I do have my announcement here on that. It was announced under the Aging Buildings Program, renovations. That was announced to be done in this year. So unless there is some thing that I am not aware of that would alter that, that would still be my expectation. But what we will do when the Public Schools Finance Board is in and we are on that line, I will make sure that we check with them. I am not aware of anything having come up that would alter that. In the announcement it does indicate that is for this 1998-99 capital construction program. That is a three-year program, but each of the buildings selected are announced in the year that it is to come. That may be part of the confusion. I am not sure.

We had announced \$30 million for the next three years, a breakdown of about \$10 million a year. Not exactly, but sort of a third, a third, a third. The schools that were identified this year under the renovation, addition projects and the Aging Buildings Programs were the ones that were intended to be worked upon in the first year of the program. Transcona Collegiate is in that. So next year you would see a different set of schools announced, and the third year a different set again. That may be why some people are wondering.

I will check with the PSFB people. They will be here on line 78. If the member is here that day, he may wish

to re-ask the question. Otherwise we will make sure that we get it and provide the answer to him.

Mr. Reid: Well, I appreciate the minister saying that her staff who would deal with that particular issue are not here at this present time and will be here a bit later. Perhaps then the minister can take that question with respect to notice, and when staff is available she can perhaps have the details available and then provide the answers for us.

There was perhaps some confusion on my part last year, too, because it was my understanding that the department had undertaken that particular review or study of the facilities, that when Transcona Collegiate's name did appear last fiscal year, there was some perception, at least on my part, that that particular project was going to move forward with respect to renovation and rehabilitation of that particular facility. If I am wrong on that, then perhaps the minister can correct me, but it is my understanding from what she is saying now that she expects that project will go forward this year, and that the residents, the parent council and the students, as well as the staff, will see that project happening this year. When the minister's staff is available, perhaps she can indicate whether or not there is going to be communication given to the school division, which then can be passed on to the appropriate people in the community, and whether or not there will be some communication resulting from that so that everyone will be aware of what is going to take place, and whether or not that announcement will take place prior to the end of this school year, which will end at the end of June. I can leave that with the minister if she can reference that with her staff. When they get to that line, I would appreciate that.

* (1650)

I also wanted to ask questions with respect to another issue that was drawn to my attention. I do not know if I have missed this line in the minister's Estimates or not, but there is some concern with respect to overcrowding conditions at Springfield junior high. It is my understanding—and the minister can correct me or perhaps if she needs to take this as notice and check with her staff—that the student enrollment, the full-time enrollment, for the Springfield junior high is at least 50

students over the provincial maximum student enrollment for that particular facility.

One would then conclude that there would be, with this overcrowding situation if that information is accurate, a need in the Transcona-Springfield School Division for a new middle years school within the Springfield area. I am asking the minister, and if she needs to take this as notice I will understand: can she give me an indication on whether or not there are plans to construct a new middle years school in the Springfield area? It is my understanding that there is an existing request from the Transcona-Springfield School Division with the department that has been on the books for somewhere between three and five years and that nothing has progressed in that regard.

There is some concern now, looking at the total enrollment for that particular area, where we are in the range of 1,700 students for the collegiate, the elementary school and the junior high, that they were going to continue to stress that the schools and the community is growing in the Springfield area. I would like to have some indication on when the community there would expect to see a new middle years school.

I believe the school trustees have made that representation to the minister or through the staff from the Transcona-Springfield School Division to the department, and if the minister can get back to us with information on that we would appreciate knowing.

Mrs. McIntosh: The staff that is with me here today has indicated that they will contact the Public Schools Finance Board tomorrow to see what the status is to report back to the member. Just so the member understands the process, the Public Schools Finance Board is an arm's length body from government and so the requests would not come to the minister. They do not come to me. They go straight to the PSFB and they always have more requests than they satisfy in any given year. So they will put them in order of priority and they will maybe carry projects that are pending. They will say, you know, this year we will approve these ones, or, tell us to go ahead and begin their planning but they will not be built until next year, whatever.

Sometimes they will take a school that was lower down on the list and bump them up to the top of the list for things like the thing the member just mentioned where suddenly there is a—if it begins to overcrowd quickly or faster than anticipated or whatever, things do get moved up or down depending upon the circumstances.

So if the Transcona-Springfield board has written to the PSFB, they will have a status update on this school somewhere where they can let us know what is going on and maybe even be able to provide an indication of when they think there might be some construction occurring to assist with the overcrowding.

I am imagining that the Transcona-Springfield board is keeping the PSFB up to date if they are overcrowded now with another 50 kids or something. I am pretty certain that they would have provided that information to the PSFB. So staff here will check with the PSFB tomorrow morning. We can get you the information probably on both of those questions then that you have asked, hopefully, by tomorrow.

Mr. Reid: Well, I would appreciate that undertaking, and I believe the next time we sit in Estimates will be Thursday morning, so that will give some time for the minister's staff to research this information, and I will save the remainder of my questions for that particular time dealing with both the Transcona Collegiate and the overcrowding at the Springfield Junior High.

It has been indicated to me that they have the portable classrooms that they are now using in the Springfield area which can create some problems, as the minister, I am sure, is no doubt aware. That is one of the reasons why I raise the issue and that this issue has been lingering for some time.

I will have questions further when we move into that other part dealing with the prioritization of projects, how the minister or the Public Schools Finance Board will prioritize projects. I will need to know how that process takes place considering that Transcona-Springfield has been waiting several years now.

Mrs. McIntosh: Would you like us, then, just to make sure we are co-ordinated here, to bring the PSFB people on Thursday morning?

Mr. Reid: Yes.

Mrs. McIntosh: Then we will know that that is the time. So maybe, then, we will make a note, if you would not mind, Jim, and we will bring the PSFB staff in, whoever it is, I guess Mr. Goluch and Ms. McFarlane in on Thursday morning, and then you will have an opportunity to have them there.

Ms. Rosann Wowchuk (Swan River): Mr. Chairman, I would like to ask the minister about a particular school division, the Duck Mountain School Division. I had a chance to bring to the minister's attention the difficulties that division was facing earlier this year, a low population, a low tax base. It is one of those divisions that is having a really difficult time.

This year, the department saw fit to put additional funding in to keep them going for this year, but it is only funding for one year. I would like to ask the minister whether she has given any further consideration to divisions such as the Duck Mountain School Division who are facing real challenges in their ability to stay open and continue operating and whether there is any consideration being given to special funding to divisions with small schools so that they can continue to operate.

The real concern is that when these schools close, children have to travel longer distances, and, of course, the minister is well aware that when children have to travel longer distances, it does affect their ability to learn. When schools get smaller, the number of courses that are offered just does not offer a wide enough range of programs for children.

So that is the issue. What are the plans? What does the minister see ahead for these areas that have a low population and a low assessment base?

Mrs. McIntosh: I will maybe try to provide more detail. I just indicate very quickly that we do give special funding to small schools. We have a small schools grant that has been in place for some time, and we do give funding under the equalization for low assessment. The special grant for the Duck Mountain this year comes to about \$120,000 for that purpose.

I recognize the dilemma that they face in terms of their particular geographical setup, but staff is working with Duck Mountain, and they are working on reorganization plans, et cetera, to assist them with some of the things they are trying to accomplish. I know we are out of time, and I will—

* (1700)

Mr. Chairperson: Order, please. The hour now being five o'clock, time for private members' hour. Committee rise. Call in the Speaker.

IN SESSION

PRIVATE MEMBERS' BUSINESS

Madam Speaker: The hour being 5 p.m., time for Private Member's Business.

PROPOSED RESOLUTIONS

Res. 27—Springwater Wayside as a Public Facility

Ms. Rosann Wowchuk (Swan River): Madam Speaker, I move, seconded by the member for Selkirk (Mr. Dewar), that

“WHEREAS Springwater Wayside is a publicly maintained source of spring water and a roadside stop utilized by local residents and tourists; and

“WHEREAS in 1987, the Provincial Government upgraded the facility and installed a pump to make the water more accessible; and

“WHEREAS the current plans to privatize the operation of Springwater Wayside are contrary to the public interest and will make the water less accessible; and

“WHEREAS in Springwater Wayside were in private hands, local residents are concerned they could be charged for the water; and

“WHEREAS the Provincial Government has undertaken to privatize waysides without public consultation.

“THEREFORE BE IT RESOLVED that the Legislative Assembly of Manitoba request that the Minister of Natural Resources consider maintaining the Springwater Wayside as a public facility with unrestricted access to members of the public; and

“BE IT FURTHER RESOLVED that this Assembly urge the Provincial Government to consider putting in place a program so that individuals who are interested in establishing a water bottling facility would have access to alternate sites rather than public parks.”

Motion presented.

Ms. Wowchuk: Madam Speaker, I am very pleased to bring this issue to the Legislature because it is an issue that is very important to the people in my constituency. Last spring, when the people of the Pine River and surrounding area realized that the government was planning to privatize the Springwater Wayside Park, hundreds of people signed petitions. I would imagine close to a hundred people phoned the minister's office, as well, to express their concern with what was happening.

I would like to share with you a little bit of history of this site, Madam Speaker. The Springwater Wayside Park is located about six miles north of Pine River. Pine River is a community that has very poor drinking water. As a result, people come to this particular spring to get most of their drinking water. The water is at the bottom of a hill, and over the years, people had to climb down this hill and carry their water up. Well, when the New Democrats were in power in 1987, they recognized the importance of this site, and they wanted to improve the facility for the people of the area and put in a pump, bringing the water to along the highway where people could access the water very easily. That is a recognition of a government that cares for people and recognizes the importance of good-quality water.

Over the years, through the Department of Natural Resources, this site was maintained and kept clean, and there is a small picnic area a little ways over. Although it is not an overnight campsite, it is a site that people use for picnics. Tourists use the site, and many tourists also pick up their water. I have to tell you that people from Dauphin come to this site to get their water

because they say that this is the best water for making dill pickles.

So it is used to a great extent. There are a lot of people who use this site, but this government in their path to privatization would privatize anything that was available to them, and one of the things that they decided to privatize was this particular site, and, as I indicated, the people were not very happy with it. I have to say to the Minister of Natural Resources (Mr. Cummings) that when we raised this issue after letting him know about the number of people who had signed petitions and the number of people who called his office, he said that he would like to resolve this issue, and he indicated that the person who was going to get this site would not be able to restrict the water. There had to be access for people to get their water there.

But the point is, Madam Speaker, there are many springs along Duck Mountain. If somebody wants to bottle water, I encourage them to go on that venture. I encourage anybody who wants to start up a business, but in this particular case there is no need to privatize a site that has been upgraded for public use.

The minister said that he had some concern. One of the reasons they were privatizing it was because it was not kept clean. Well, I have to tell you, Madam Speaker, the individual who has taken over this site—and my understanding is he has been given a 25-year lease on this site. We have not seen the contract. We are not sure what services he is supposed to be providing, but the site is not kept clean. This spring, the people from Pine River had to go into the area and clean up all the garbage. There was a tree laying on the site since last summer, so this is your privatization; it is going to work so well. What we had before was the Department of Natural Resources coming in on a regular basis and keeping it clean, but, no, they had to turn it over to the private sector, and it is not being kept clean. Local people are not happy about this. Local people do not know what the plan is.

So I think one of the mistakes the government has made is not informing the public. They did not let the public know. The public, in fact, does not even know for sure whether or not the individual who is supposed

to have signed this contract, whether he has really got it or not or how it is going to be handled.

So, Madam Speaker, there are ways that we—we would encourage business. We would encourage the bottling of water from our area because we have some of the best water in the province. We would encourage that, but we do not encourage what is happening at this particular site. I would ask the government and the Minister of Natural Resources (Mr. Cummings) to give some direction to the person who is now in charge of this site to hold some public meetings and make people aware of what is going on. Do not try to do everything behind closed doors and keep people out of it.

These are people who have built up the area, people who are used to having water from this area, and now they are worried that their water supply is going to be taken away from them. I am told that the individual who is planning to develop this site is going to put a filtering system in, and there will still be water available to the public, but that is not the point. The people of the area have indicated that they want the site to remain as it is. They do not want it privatized, and there are many other sites in the area where water can be obtained.

I want to say that the government should look back at what previous governments have done. As I said, the New Democrats, when they were in power, recognized the importance of this site and put in a pump.

Now, the government said that this site was too expensive to keep up. Well, you know, I have to tell you that people in our area also pay taxes, and there are services that you do provide to people, so it should not be that difficult to be able to provide some services back to people.

* (1710)

I think that the government in this decision to privatize this particular site has got their blinders on and is very determined to proceed with privatization without—

An Honourable Member: They call them blinkers.

Ms. Wowchuk: They have got blinkers on, that is right—without recognizing the importance of this service, of this water, a basic need for human beings to have a good supply of water. They have just gone a little bit too far.

There is nothing wrong with admitting that you have made a mistake, and I would encourage the government in this case to recognize that this move to privatize this particular site is not in the best interests of the people of the area. It is not supported by people of the local area, and I think that it would be very easy for the government to say, well, we have made a mistake with this one. There are other springs in the area. Go ahead, put your pumps in and develop your site there. People would be very happy with that decision.

I would assure the Minister of Environment (Mr. McCrae) that if his government made a decision like this that you would get many calls from the people of Pine River and Garland and Ethelbert and in fact Dauphin who would congratulate you for recognizing that you had made a mistake.

As I say, Madam Speaker, I was in Pine River on Sunday, and I just talked to people about this particular issue and, again, they said, nobody has informed us what is going on. We are prepared to look after this site. We will keep it clean. The person who is looking after it now is not maintaining it. It is right along the highway. It is a place where tourists stop. It is important that it be maintained properly, and we should not be afraid to spend a little bit of money in an area that we want to have looking attractive for tourism. After all, tourism is one of our growth industries and one that we should be looking at very much, trying to encourage the growth of it and trying to promote rural and northern Manitoba.

As I say, we have many tourists who come through on a regular basis who stop at this site for water, and we should not be in such a hurry to turn everything over to private hands. But we have seen this government do this with a few other provincial wayside parks that have been privatized, and some of them are also in my constituency further north. I can tell you that the maintenance of those parks has not improved. In fact, there has been a deterioration in the quality of

maintenance of those sites after they have been turned over to private hands.

There is nothing wrong with the public sector playing a role in providing services for people and making them available for tourists but, in this particular case, this is a very special wayside park, one that is very important to the people of my constituency and the people of the Pine River area, people who, as I have said, for years and years have got their water from this site. Madam Speaker, they are very concerned that the plan of the government is to turn this site over to a private individual who will start up a business there, and then they will not have the ability to access that water.

We have been told by the minister we will have the ability to access this water, but these people have some pride in their area, and they feel real ownership. This is their water, this is their wayside park, and it should not be turned over to private hands.

So again, I encourage members of the government to look at this particular issue and recognize, as I have said, that although to members of the government it may seem like a trivial issue, a Springwater Wayside Park of course does not mean anything to somebody who lives in Winnipeg or in other parts of the province where there is a good supply of water in their community. In this particular community there is not a good supply of drinking water. People haul their water. Now, that may seem like a strange experience to many members opposite, people who live in the city of Winnipeg, to imagine that people have to haul their drinking water, but this is actually the case.

Some days you can stop by there, and you will see somebody from Dauphin or another area who has their trunk filled with gallon jugs, and they are taking water from this site to have their drinking supply for a few weeks because, as you know, there has been a real problem with the drinking water in Dauphin as well.

So, Madam Speaker, I would encourage the government to recognize what a small site like this, I think one that costs the government maybe \$2,000 to \$2,500 to maintain. In the whole scheme of things that is a very

small amount of money for government. I mean, they give away money to many places.

My colleague brings up the issue to Tom Stefanson. They give the ability for Tom Stefanson to make millions of dollars when they privatized our telephone system and that is another privatization scheme of this government. But in this particular case they do not recognize the importance of this system.

An Honourable Member: What have you got against the private sector?

Ms. Wowchuk: The Minister of Industry, Trade and Tourism (Mr. Downey) asks me what I have against the privatized sector. He should have been listening to what I was saying earlier, because I said I have nothing against individuals developing a business, and I would encourage them to look at other sites along the Duck Mountain where we have some of the best drinking water. Individuals, who had the interest in doing it, could establish a good business of bottling drinking water in the area, and I encourage them to do it—
[interjection]

But in this particular case, not this site. This site here is one that should be left for the public sector to use and should be left as New Democrats had established it, a site where individuals could get their drinking water.

Madam Speaker, as I said, this government should consider putting in place a program, so that individuals who are interested in establishing a water bottling facility would have access to alternate sites rather than public parks. There is a place for public parks and there is a place for private business. There is a place for spring water that is available for the public to use, and there is a place for people to find sites where they can develop water for bottling.

I would encourage the government to recognize that they have made a mistake on this particular site and encourage them to listen to the people of the area. As I said, I would welcome you to come to my constituency and tell the people of this area you have made a mistake, and we would give you the warmest welcome if you would say that you would leave this site in public hands.

Mr. Mervin Tweed (Turtle Mountain): It is certainly a pleasure for me today to stand and speak on the resolution brought forward by the member for Swan River (Ms. Wowchuk).

I listened to her make her explanations as to why she would oppose what is happening at Springwater Wayside Park. As I have sat through a few sessions now, it seems that my first question would be: is she really opposed to this particular plan or is she just opposed to everything that appears to have privatization in it or anything associated with privatization?

As I think about certain areas in my constituency where we have wayside parks in our communities, it makes me question some of the things that she is saying in the sense that I know when you have parks like that that provide a public service and have probably provided a service for a long period of time, the question would be, though, is: is there a bigger benefit to the plan that is being proposed. I do not know for sure, but I would guess that wherever you have a public system such as the one that the member for Swan River (Ms. Wowchuk) is talking about, I am sure there is cost to upkeep and maintenance and certain things.

I know the honourable member threw out the number of \$2,000 to \$2,500. I guess, obviously, there should be some way of verifying the numbers that she has put forward. I also note in her comments that quite often, as is the case for members opposite when they present a petition, they say a number of people. Well, is it a number of people, one? Is it 10? Is it 15? What constitutes the number, I guess, is the question that I would ask?

* (1720)

Point of Order

Ms. Wowchuk: The member for Turtle Mountain (Mr. Tweed) is doubting the number of people who signed petitions. I want to indicate to him that there were well over 700 people in a very small area who signed a petition opposing this government's plan to privatize this site.

Madam Speaker: Order, please. The honourable member for Turtle Mountain, on the same point of order.

Mr. Tweed: Madam Speaker, I was not questioning the number of people who had signed the petition. I was merely asking for the number, because I did not hear it in the honourable member for Swan River's presentation.

Madam Speaker: Order, please. The honourable member for Swan River does not have a point order. It is clarifying the record.

* * *

Madam Speaker: The honourable member for Turtle Mountain, to continue debate.

Mr. Tweed: For clarification, this does not cut into the allotted time that I have to speak on this resolution, I would hope. Anyway, Madam Speaker, I thank you and I will continue on.

Whenever you are dealing with I guess individual issues which, in this case, the member for Swan River, it is a personal issue for her. It is an issue that affects her constituents and the people of her community, so I certainly think she has probably done a good job or entitled to bring forward personal issues such as this that represents the people who she represents in the Swan River area.

But I do think that she has to take into consideration—again, she has put some numbers on the record that would indicate that the cost of maintenance on an annual basis for this facility would be approximately \$2,000 to \$2,500. Not knowing the true numbers, it would be unfair to me to make much comment on those numbers, other than the fact that that may be an annual cost of operation, but it certainly would not be the total cost of operation. When you look at the costs over time for repairing and replacing many of the things that are involved with this type of facility, I would think that there is probably some infrastructure that over time would have to be changed or repaired or upgraded. I would think that there certainly, as there is in many areas of the province of Manitoba, is a concern about

contamination of the well. I think that safeguards and the necessary steps would have to be taken to prevent this.

My own experience in wayside parks would be that there is probably, as in some of the parks that I have in my constituency, they tend to always be quite messy, because people I do not think fully appreciate what they are and what they should be used for in the sense of a place to stop and enjoy yourself and enjoy the area that these parks are within. I think that, as I understand it, the agreement that is being proposed to take place, the contractor or the person who is in charge would be responsible for certain things including the replacing and upgrading of some of the assets of the park as they needed it.

I think that rather than asking the people to provide these dollars to do this—and again, I would make comment about the member's statement where she said that this is their park. As much as I accept that, Madam Speaker, again, I am questioning it only because I do not know the situation particular to this particular park. But if it is their park, the question I might ask is: have they or do they currently participate in any of the costs of maintaining and upgrading and taking care of this facility? I know she has mentioned in her comments that it should be the government that does this, and yet the comment when they are talking about protecting their particular wayside park, they are saying, you know, this is our park, this is my park.

Yet when I see a wayside park, the first thing I think of the main purpose of it being there is for the person travelling by, the tourist. If it is going to be for those people, then I think that we probably have to discern what the difference is and what the utilization factor is.

When you look at other methods of providing this type of service to people, obviously there is going to be opposition to it, as we are hearing today. I stated in my opening comments that any time this government has brought anything forward that would indicate some sort of form of privatization, the members opposite stand and rail against privatization. In fact, if I understood correctly, I think the member for Swan River in her closing comments had to drag in the MTS debate that took place several years ago now. I think, Madam

Speaker, as long as I will be here and probably you that we will constantly hear about this MTS debate as it comes forward. It would indicate to me that this argument will continue for a long period of time, because I suspect that the government that is currently the government of Manitoba will continue to be that for a long period of time.

The other thing that I understand about this particular offer or this operation that they are proposing for Springwater Wayside Park is that the people of the community or the people of the area that do use it and do take advantage of it will have an opportunity as they do now to access unfiltered spring water at no cost. Now if that is what the member's main concern is, then I would say that particular question has been resolved and that was certainly part of the resolution that was brought forward is the fact that they want the water accessible and usable to the people in the local area. I think that has been certainly addressed in the issue of the agreement between the two parties involving Springwater Wayside Park.

The idea that a person would take on operation of this type of facility—and again as the member for Swan River has indicated already, it is a mess, it is dirty, it is unkept—again I am speaking strictly from someone who has not been there, but I would think the people that would take over the management of that in their best interests, it would be in the best interests of all to maintain the facility as good as it has been or perhaps even in a better way. I would suggest to the member opposite that if she has those concerns and if that is a concern again, it is always brought forward by the members opposite through innuendo and suggestion, quite often we do not hear anything that substantiates the suggestions they brought forward, but they are brought forward and put on the record. Therefore to the members opposite, it is perceived as being a fact, and I might suggest that they would present it to their public that way.

The changes that are going to be made, as I stated, some of the infrastructure things that will be taking place, I understand that the well and the pump will be upgraded either through repair or replacement. I understand that there is the installation of a filtration system which will improve—pardon me—and they will

be improving the parking area for the people who are going to utilize the facility, again not just the local people but the tourists that travel by. There is nothing better than a facility that is presented well to the public and to the tourist that stops for a moment to enjoy the scenery and the surroundings that this particular wayside park would present. I would suggest that it would be a good idea that these people, in the best interests of what they are trying to do, they would maintain a very clean and presentable facility for all the people.

* (1730)

The concerns that I have as I see it in some of the wayside parks that I travel through in my constituency is the fact that, if there is a bit of private interest involved in it—and again I am speaking only from my personal experience in the areas that I represent. I find that I have never been into one of those parks in my communities that are unkempt and not right up to standard, not a place where you would not want to spend an extra 15 minutes enjoying the area. I would suggest that if the member is having complaints or is hearing from people that say it is dirty or not as presentable as it once was, perhaps they should take a minute and visit with the person that is involved with the park at this point in time, and I am sure some sort of an agreement can be reached between the two parties.

The other thing, just more of a comment than anything, in regard to the suggestion from the member for Swan River (Ms. Wowchuk) that she is not opposed to the development of a water facility, or a bottling facility in the area, just not that area. She suggested that anywhere throughout the Duck Mountain, you know, they should look and we should be providing access to them for this.

I appreciate her comments in the sense that she is putting on the record that she does not oppose the government offering other alternative sites in the Duck Mountain for future developments of businesses and enterprises, but that is not what I have heard from the member opposite since I have come into this House in 1995. All I have heard is opposition to everything that has gone on in her particular community and in her particular riding, Madam Speaker. I think the one issue

that I know of, and it comes up from time to time, is the fact of natural gas coming into her communities and how it is suggested that government in some way prevented it from happening.

I would suggest that it may have been the member's attitude and approach to it, as I stated, the approach that she takes to all business ventures in her communities. There is always a way to oppose it and a method of opposition that would probably seem distasteful to people that might want to come in and expand and grow and develop into her particular community.

So with that, Madam Speaker, I read the resolution, I listened to the member's statements as she has put forward. I do think it is really not an opposition so much to this type of an industry or to any industry; it is an opposition to privatization. It is more of an ideological position that she is taking, and, unfortunately, I find that I cannot support her resolution.

Hon. Frank Pitura (Minister of Government Services): Madam Speaker, I am pleased to rise on this resolution because I think that the honourable member for Swan River (Ms. Wowchuk), albeit she has designed the resolution actually within a very, narrow scope, I think that the purpose of the resolution maybe identifies a much broader area of concern with regard to the whole issue of water within the province of Manitoba. So what I would like to do is go through this process, and I think by putting some arguments forward that perhaps at the end of my presentation, there will be no doubt that the process that the government is following for that wayside park is, indeed, the right way to go.

I think that the whole essence of water as a resource in Manitoba is as we all know that water is the source of all life, and so from that standpoint I think it is very important that we maintain the sustainability of our water resource. Of course, to that end, the Department of Natural Resources and the Department of the Environment are very much key players in the development and trying to retain the sustainability of the water resource because, ultimately, if we have a sustainable water resource in this province of Manitoba, we will enjoy, countless generations of time

to come will be able to benefit from this resource and will make Manitoba a very strong, viable province that people will be able to live here, work here, invest, and raise a family.

When we take a look at water as a resource in the province, we look at it from the standpoint of surface and subsurface water. I just wanted to bring to honourable members' attention that one of the areas that I am proud to say that the Department of Natural Resources has taken a very proactive approach in is with regard to land drainage. Ultimately, the water resource that the member for Swan River (Ms. Wowchuk) is referring to will be affected by how we treat and manage our surface water in this province.

Just to bring forward that the Department of Natural Resources brought in a drainage legislation whereby producers now will require permission before they drain their farmland. I just want to reiterate here that in many parts of Manitoba we have seen excessive drainage take place to the detriment of the ground water supply. Certainly, from the standpoint of the producer that is installing the drainage and trying to get rid of surface water, trying to cultivate a few more acres of land, you can appreciate why they were doing what they were doing, but at the same time I do not think very many producers quite realize what the impact was on the aquifer below the ground surface. This aquifer was what they depended upon for their own water supply, domestic water supply, and water supply for their livestock operations. As such, if this practice has been left unattended and allowed to continue, I believe that in the next decade or two decades, we would have really seen the impact of what happens when surface water is drained without any consideration given for the aquifer. So maintaining the aquifer in this province is very important because many parts of this province depend on ground water as their main source of water for their dwelling.

To just go one step further on that, when we take a look at water, having just come through the 1997 flood, of course, everybody said, well, there is just way too much water, so then the main thrust was to get rid of the water, get rid of the water. Well, I am happy to say, yes, I am happy to say that with the International Joint Commission, a report that was commissioned between

the federal governments of the United States and Canada and the Province of Manitoba and the State of North Dakota, I am very proud to have that report come forward because I think their mandate is to take a look at the total water management of the Red River Valley, the Red River watershed.

I think it is very important that the kinds of recommendations that I would expect to see come out of that report would be such that in terms of water management we would try to manage our water on the higher elevations and hold the water back. Now, No. 1, that allows the water on the lower parts of the valley to move away more quickly. The second part is that, because this water is entrapped at the higher elevations, which is in the hills surrounding the Red River watershed, there is also this ability to recharge the aquifer, which, up until now, many producers are draining these potholes, trying to get rid of the water, and thereby affecting the aquifer.

In respect to bottled water and bottled water operations, there are many of these operations in Manitoba. The two that I am personally aware of are one down at Menisino, which is bottling water, natural water off an artesian well, and they are marketing this water. The second one that I am probably more familiar with is the one located at Otterburne which is in my constituency. There they use the ground water, and they put the water through a reverse osmosis, and they end up with very pure drinking water. They are an up-and-coming young industry in the area, and they are constantly gaining new markets on a daily basis.

* (1740)

Another area, too, Madam Speaker, that I think in terms of painting a picture for this whole scenario is the fact that in the area where I grew up, water was always considered very precious because we did not have a natural water supply that we could have a well. Most of the ground water was all saltwater, therefore we had to haul our water, and we hauled our water from the city of Winnipeg, from the south end of Winnipeg. We hauled water, in fact, up until 1992. Now, when my father built the farm that I was on, he had enough vision to build a fairly large cistern, so we had a fairly large quantity of water on hand at any given time, about 6,000 gallons.

But I just want to remind members here, Madam Speaker, that that comes with a cost. It really makes me appreciate the fact that you can never take water for granted. It is a very precious commodity and should be looked after and sustained over the long period of time, because this water that we hauled was expensive, and, as per usual, every time we had large amounts of company over, that was usually the time we ran out. When our city cousins came to visit us, and they flushed with high frequency, it always made me very worried because I figured that you only have to flush, you know, every so often, and I thought, oh, oh, there goes the water. So I was always on pins and needles when we had company over and they used the bathroom a lot.

Now, Madam Speaker, getting back to what the member for Swan River (Ms. Wowchuk) has mentioned with her resolution, you know, the Province of Manitoba, by the actions that they are taking with respect to this park, are going to ensure the long-term sustainability of this wayside park. There is no question about it, because right at the present time, I think the member for Swan River indicated that each year they have to have a volunteer group go out, collect garbage, clean up the site, whatnot. I just remind the member for Swan River that with the park itself, the pump that she says her government installed—and, of course, I have to mention here that, you know, it shows you what the opposition did when they were in government, is that when they put in infrastructure such as a pump, it was never designed to last long. I am understanding it has to be replaced. I am told this pump has to be replaced. I am also advised that the area, because it is unattended and it is used by passers-by, is also used as a place to dump some garbage, and I am also advised that the water tests at the site have confirmed unusually high levels of fecal coliform.

So you can take your choice. You can leave the park as it is and have a water supply that gets contaminated, or you can privatize the park which will allow the development of a new infrastructure at the park with regard to utilizing the water. As well, Madam Speaker, the park will be kept clean, and I am advised that the local residents for that site will be offered a choice of having the water unfiltered and untreated free of

charge, or they may choose to purchase the water at a nominal cost from the lessee who has got the facility.

But, overall, Madam Speaker, with the lessee there onsite, we are not going to have garbage dropped off at this site as a place for garbage to be disposed of. We are going to ensure that the water quality from that well remains at a very high level and because of the fact that there is somebody there, there is a chance for tourists to stop in, enjoy the water, enjoy the park, and I think that overall the benefits to that whole area will be much increased as a result of that happening.

So, Madam Speaker, I reiterate again that water is a precious resource that we have in this province. It is a resource that we have to approach from that standpoint. We have to try and ensure its sustainability. I believe that the actions that are being taken at this wayside park are toward ensuring that sustainability of that water supply, because if that water supply became contaminated at that park, it would then contaminate a lot of water sources in the entire area.

So we have to be careful about that, just as we are careful in terms of the environmental impact with hog barns being established. We also have to be concerned about the fact that if people misuse the park, that it will be of benefit to nobody in the long run. I think that the approach that we have taken with regard to this park is just, I believe, the very best way that we can ensure that there is a sustainable water source at that park and that it is available for all Manitobans to enjoy today, tomorrow and a long time into the future, and we even have a lot of American visitors who will be able to enjoy it as well.

So with those few comments, Madam Speaker, I am sure that all members will agree with me that the approach that we have taken is the right approach.

Mr. Gregory Dewar (Selkirk): It is a pleasure to rise in support of my colleague from Swan River who brings forward, Madam Speaker, this very important resolution for consideration of all members, and I am a little disappointed with some of the comments made by the members opposite. It appears that they will not be supporting this very important resolution.

It is of interest to me in that my parents—when I was younger and I lived out there with them just west of Selkirk, we could not drink our well water. So what we would do, we would take containers over to the artesian spring wells that were very prominent in that area, and, Madam Speaker, it is a shameful action of this government's beginning to privatize our natural resources.

As the member for Swan River (Ms. Wowchuk) has said, this artesian well in the area is the source of water for the residents in that particular area who have poor water, who have poor well water, and they rely upon this source of spring water for their drinking water.

As the member says, water is a very precious resource, Madam Speaker, and the Minister of Natural Resources (Mr. Cummings) has said, well, he would resolve this issue, but what they have done instead, they have simply privatized this. They have privatized it and they also restricted access to individuals in that area who have in the past relied upon this for their sources of drinking water. It is said that there are other springs in the area, in the Duck Mountain area, that could be used for the bottling of water, and we urge the government to look at those and to maintain this park, this wayside area, for the residents.

Madam Speaker, as the member for Swan River (Ms. Wowchuk) has mentioned, the residents in that area are very concerned. Over 700 of them signed a petition. They are disappointed that they were not notified by this government. They are disappointed that they were not kept informed of the process; someone said much like what happened during the MTS privatization where the government promised that they were not planning on privatizing that public asset and then they did. I urge the government to go out there and to hold public meetings to listen to the concerns of the area residents who are most affected by what happens when the government is restricting access to their water supply. It is not in the best interests of local residents.

* (1750)

As was mentioned, this is a local tourism attraction in that very beautiful part of Manitoba. It has also been revealed here that the private owner is not maintaining

the site and that residents from the area have to come and clean up the site. So to me, it is impossible to understand why the government will not support this resolution to allow the area residents access to this great source of spring water.

So I urge the members opposite to support this resolution to stop the privatization of access to our water, in this case, and the much broader privatization of access to other natural resources in this province. Thank you.

Hon. James McCrae (Minister of Environment): Madam Speaker, I never cease to marvel at the methods by which the members of the New Democratic Party make every single issue that comes up in our province and in our communities as some kind of a class struggle. That is sometimes the problem with a serious issue. We tend to classify everything as either part of some, what is it, great huge right-wing conspiracy on the one hand, or on the other hand, the leftist hordes getting involved in every aspect of our lives.

As I sat and listened to the debate today and some of the comments, especially those coming from my honourable colleagues opposite, I tended to think that once credibility gets stretched when we are dealing with a matter which is of importance to people in a particular region or neighbourhood, when that matter is treated as a doctrinal or a dogmatic or a philosophical or idealistic issue, it stretches one's credibility only a little bit.

That is a consistent thing that we see with honourable members opposite, and I suggest sometimes their consistency is somewhat foolish. I think it was Ralph Waldo Emerson, or somebody like that, who said that a foolish consistency is the hobgoblin of little minds. I do not mean to imply that the mind of the honourable member for Swan River (Ms. Wowchuk) is particularly small, because I happen to know otherwise. It is just that if this matter had been couched in terms that were less philosophical in nature, less political, less partisan, I think honourable members on both sides, on all sides of this House, would tend to give the whole issue a little more credibility than we are getting from the honourable member for Swan River.

You know, everything is not some kind of class struggle between the proletariat and the bourgeoisie. This is a pragmatic sort of society we live in. More and more when you look across this country, you see governments taking on issues. The issues are surprisingly similar everywhere across the country no matter what kind of government is in office. You see what I call Romanow's conservatives carrying on in a way that does not look very much different from Mike Harris' Conservatives, depending on the issue of the day. I mean, this is not an issue about, or should not be, this matter of Springwater Wayside ought not to be the subject of some philosophical debate about the control of the means of production in our society or the class struggles that we hear about each and everyday in this House from honourable members opposite. This is a real matter at the local and regional level that requires some appropriate consideration, and I respect that.

The honourable member for Swan River (Ms. Wowchuk) is right to raise the matter, bring it forward, have it talked about, but on the basis of some kind of discussion about how wrong it is to privatize something or how wrong it is to take the approach that, oh, you all so often see the Tories taking it, it just has to be wrong because obviously it is the Tories doing it. Let us all grow up around here a little bit. There is a question of credibility for all of us. There is a responsibility for credibility that we all have to discharge, and sometimes I think that we are going to have trouble being taken seriously by the population of this province if we keep dealing with these matters in this kind of a way. What is the right thing to do?

Well, I think that the honourable member for Turtle Mountain (Mr. Tweed) and the honourable Minister of Government Services (Mr. Pitura) have certainly dealt with the specific aspects of this issue in a way that I could never pretend to emulate. So I will not dwell in detail on all of that, but I know there is tremendous pressure on this side of the House for me to do just that and to get on with a detailed analysis of the circumstances.

The honourable member for Swan River (Ms. Wowchuk) has done a good job presenting the issue from her standpoint, too, but I find it fascinating that this matter can ascend to the kinds of levels that

honourable members opposite want it to ascend, whereby we have a basic class struggle going on right here at Springwater provincial park. [interjection]

Madam Speaker, well, it is all about privatization. Another opportunity for the New Democrats to take some kind of philosophical position on the whole issue of privatization and control of government, public control of our resources, and the means of production, and the monetary supply, and all of these things which really have very little to do with Springwater provincial park, which, as House leader, I suppose I could have been up a long time ago complaining about the whole issue of relevancy in the debate. But, no, as a courtesy, I thought I should let honourable members put forward their very strongly held views.

As I was listening to this debate coming from members opposite about the evils of privatization, I thought back to about 1987 when I was sitting on that side of the House, right next to where the honourable member for Transcona (Mr. Reid) sits today, and the honourable member for Emerson, as he then was—today he is the member for Steinbach (Mr. Driedger)—sat right beside me where the honourable member for Transcona now sits. He was somewhat of a mentor to me because he was my Whip. There were certain powers that Whips have, like, shut up, McCrae—that sort of power was something that he had to resort to from time to time, with great effect, I might add. But it was back in those days that there was a privatization going on here in Manitoba. [interjection]

The honourable member for Swan River (Ms. Wowchuk) is right. You know, she says: talk about the water. Well, why is it that the New Democratic

Party is so bound and determined they have got to tax everything in existence?

One of those things is water, Madam Speaker. They want to tax the very water, the life-giving water that we need to sustain ourselves. That is exactly what they did back in those days. They found everything else. I do not know if they actually got to the cavities, the fillings in your teeth, but that was coming if they were in office long enough. But they did tax the water.

As I was saying, in regard to the philosophical nature of this debate, I was talking about a bus company which the New Democrats—you know, when you are in government, there is a certain reality that sets in, and even though you can rail on all day about the proletariat and the bourgeoisie and all of that, the fact is sometimes you need to do the right thing when you are in government, and the New Democrats did not have very much choice because they ran this bus company into the ground while it was under their stewardship. So what did they do? They privatized it. I remember it well. Eugene Kostyra privatized the bus company, now called New Flyer. It used to be called Flyer Industries. What is the situation today? Winnipeg, Manitoba, is the bus manufacturing capital of North America. Now, I ask you—

Madam Speaker: Order, please.

When this matter is again before the House, the honourable Minister of the Environment (Mr. McCrae) will have seven 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, May 12, 1998

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