



First Session - Thirty-Seventh Legislature

of the

**Legislative Assembly of Manitoba**

**DEBATES  
and  
PROCEEDINGS**

**Official Report  
(Hansard)**

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**MANITOBA LEGISLATIVE ASSEMBLY**  
**Thirty-Seventh Legislature**

<b>Member</b>	<b>Constituency</b>	<b>Political Affiliation</b>
AGLUGUB, Cris	The Maples	N.D.P.
ALLAN, Nancy	St. Vital	N.D.P.
ASHTON, Steve, Hon.	Thompson	N.D.P.
ASPER, Linda	Riel	N.D.P.
BARRETT, Becky, Hon.	Inkster	N.D.P.
CALDWELL, Drew, Hon.	Brandon East	N.D.P.
CERILLI, Marianne	Radisson	N.D.P.
CHOMIAK, Dave, Hon.	Kildonan	N.D.P.
CUMMINGS, Glen	Ste. Rose	P.C.
DACQUAY, Louise	Seine River	P.C.
DERKACH, Leonard	Russell	P.C.
DEWAR, Gregory	Selkirk	N.D.P.
DOER, Gary, Hon.	Concordia	N.D.P.
DRIEDGER, Myrna	Charleswood	P.C.
DYCK, Peter	Pembina	P.C.
ENNS, Harry	Lakeside	P.C.
FAURSCHOU, David	Portage la Prairie	P.C.
FILMON, Gary	Tuxedo	P.C.
FRIESEN, Jean, Hon.	Wolseley	N.D.P.
GERRARD, Jon, Hon.	River Heights	Lib.
GILLESHAMMER, Harold	Minnedosa	P.C.
HELWER, Edward	Gimli	P.C.
HICKES, George	Point Douglas	N.D.P.
JENNISSON, Gerard	Flin Flon	N.D.P.
KORZENIOWSKI, Bonnie	St. James	N.D.P.
LATHLIN, Oscar, Hon.	The Pas	N.D.P.
LAURENDEAU, Marcel	St. Norbert	P.C.
LEMIEUX, Ron, Hon.	La Verendrye	N.D.P.
LOEWEN, John	Fort Whyte	P.C.
MACKINTOSH, Gord, Hon.	St. Johns	N.D.P.
MAGUIRE, Larry	Arthur-Virden	P.C.
MALOWAY, Jim	Elmwood	N.D.P.
MARTINDALE, Doug	Burrows	N.D.P.
McGIFFORD, Diane, Hon.	Lord Roberts	N.D.P.
MIHYCHUK, MaryAnn, Hon.	Minto	N.D.P.
MITCHELSON, Bonnie	River East	P.C.
NEVAKSHONOFF, Tom	Interlake	N.D.P.
PENNER, Jack	Emerson	P.C.
PENNER, Jim	Steinbach	P.C.
PITURA, Frank	Morris	P.C.
PRAZNIK, Darren	Lac du Bonnet	P.C.
REID, Daryl	Transcona	N.D.P.
REIMER, Jack	Southdale	P.C.
ROBINSON, Eric, Hon.	Rupertsland	N.D.P.
ROCAN, Denis	Carman	P.C.
RONDEAU, Jim	Assiniboia	N.D.P.
SALE, Tim, Hon.	Fort Rouge	N.D.P.
SANTOS, Conrad	Wellington	N.D.P.
SCHELLENBERG, Harry	Rossmere	N.D.P.
SCHULER, Ron	Springfield	P.C.
SELINGER, Greg, Hon.	St. Boniface	N.D.P.
SMITH, Joy	Fort Garry	P.C.
SMITH, Scott	Brandon West	N.D.P.
STEFANSON, Eric	Kirkfield Park	P.C.
STRUTHERS, Stan	Dauphin-Roblin	N.D.P.
TWEED, Mervin	Turtle Mountain	P.C.
WOWCHUK, Rosann, Hon.	Swan River	N.D.P.

## LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, June 22, 2000

The House met at 1:30 p.m.

### ROUTINE PROCEEDINGS

#### PRESENTING REPORTS BY STANDING AND SPECIAL COMMITTEES

##### Committee of Supply

**Mr. Conrad Santos (Chairperson):** Mr. 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 Selkirk (Mr. Dewar), that the report of the Committee be received.

*Motion agreed to.*

#### INTRODUCTION OF BILLS

##### Bill 39—The Insurance Amendment Act

**Hon. Ron Lemieux (Minister of Consumer and Corporate Affairs):** Mr. Speaker, I move, seconded by the Minister of Aboriginal and Northern Affairs (Mr. Robinson), that leave be given to introduce Bill 39, The Insurance Amendment Act; Loi modifiant la Loi sur les assurances, and that the same be now received and read a first time.

His Honour the Lieutenant-Governor, having been advised of the contents of this bill, recommends it to the House.

*Motion presented.*

**Mr. Lemieux:** Mr. Speaker, just a short statement, if I might. This bill makes a number of important amendments to The Insurance Act. It will enhance consumer protection overall by requiring all insurance agents, for example, to have professional liability insurance.

There are many more, certainly, positives with regard to this bill, and they will be forthcoming in the near future.

*Motion agreed to.*

##### Bill 40—The Business Names Registration Amendment, Corporations Amendment and Partnership Amendment Act

**Hon. Ron Lemieux (Minister of Consumer and Corporate Affairs):** Mr. Speaker, I move, seconded by the Minister of Culture, Heritage and Tourism (Ms. McGifford), that leave be given to introduce Bill 40, The Business Names Registration Amendment, Corporations Amendment and Partnership Amendment Act (Loi modifiant la Loi sur l'enregistrement des noms commerciaux, la Loi sur les corporations et la Loi sur les sociétés en nom collectif), and that the same be now received and read for a first time.

*Motion presented.*

**Mr. Lemieux:** Mr. Speaker, The Business Names Registration Amendment, Corporations Amendment and Partnership Amendment Act will enable publication of business registrations on the Internet. Today those notices are published in the *Manitoba Gazette*. The Bill makes this information more readily available to a wider cross-section of Manitobans who do not today subscribe to the *Manitoba Gazette*.

*Motion agreed to.*

\* (13:35)

##### Bill 42—The Public Schools Amendment and Consequential Amendments Act

**Hon. Drew Caldwell (Minister of Education and Training):** Mr. Speaker, I move, seconded by the Honourable Minister of Culture, Heritage and Tourism (Ms. McGifford), that leave be

given to introduce Bill 42, The Public Schools Amendment and Consequential Amendments Act (Loi modifiant la Loi sur les écoles publiques et modifications corrélatives), and that the same be now received and read a first time.

***Motion presented.***

**Mr. Caldwell:** Mr. Speaker, I am very pleased to introduce legislative amendments to The Public Schools Amendment and Consequential Amendments Act today.

First and foremost, these proposed amendments will give The Public Schools Act a clear statement of principles for our public schools system. The Government of Manitoba also wishes to put into place a fair and balanced approach to bargaining that puts the interests of children first. These amendments make adjustments to the rules for the collective bargaining process in the public school system which will move us forward into a more respectful environment in Manitoba. These changes are in keeping with our government's strong commitment to the public education system in the province of Manitoba.

***Motion agreed to.***

**Introduction of Guests**

**Mr. Speaker:** Prior to Oral Questions, I would like to draw the attention of all honourable members to the gallery where we have with us today, from Victoria-Albert School, 52 Grade 4 students under the direction of Mrs. Karen Walpole.

This school is located in the constituency of the Honourable Member for Point Douglas (Mr. Hickey).

Also in the gallery we have, from Arthur Day Middle School, 20 Grades 6 - 8 students under the direction of Ms. Beverly White.

This school is located in the constituency of the Honourable Member for Transcona (Mr. Reid).

Also seated in the gallery we have, from Ste. Rose School, 30 Grade 5 students under the direction of Mrs. Judy Wolfe.

This school is located in the constituency of the Honourable Member for Ste. Rose (Mr. Cummings).

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

**House Business**

**Mr. Marcel Laurendeau (Opposition House Leader):** Mr. Speaker, on House business, I was wondering if the Government House Leader (Mr. Mackintosh) could inform me when the Supplementary Estimates for the Department of Health, which is next up in the Chamber when we are finished Agriculture either today or Monday, might be ready for us.

**Hon. Gord Mackintosh (Government House Leader):** We are making arrangements, Mr. Speaker, to have those tabled after Oral Questions.

**Mr. Speaker:** Arrangements will be made for tabling of the Supplementary Estimates for Health after Question Period.

**ORAL QUESTION PERIOD**

**Post-Secondary Education  
Funding**

**Mrs. Bonnie Mitchelson (Interim Leader of the Official Opposition):** Mr. Speaker, Mike McAdam, the vice-president of administration for the University of Manitoba is quoted in today's paper in reference to the NDP's post-secondary budget as saying, and I quote: It is certainly a severe budget. It is one of the worst. As a direct result of the NDP's underfunding, every department and faculty has been ordered to cut its budget by 3 percent.

This government, Mr. Speaker, is forcing the university to cut staff, programs and funding for equipment, thereby decreasing the students' quality of education right here in the province of Manitoba. I would like to ask the Minister of Education how he expects the University of

Manitoba to attract and retain students and staff when his government is grossly underfunding our universities.

**Hon. Drew Caldwell (Minister of Education and Training):** In the same newspaper I was interested to read today that the budget decisions being made at the University of Manitoba are indeed severe. There is no doubt about that. I also noted in the paper about nurses in Treherne and the hospital having to shut down, both issues, I may add, Mr. Speaker, as a direct result of underfunding—

**An Honourable Member:** By the previous government.

\* (13:40)

#### Point of Order

**Mr. Marcel Laurendeau (Opposition House Leader):** On a point of order, Mr. Speaker, *Beauchesne's* 417: "Answers to questions should be as brief as possible, deal with the matter raised and should not provoke debate."

Mr. Speaker, if the Honourable Minister of Education does not have an answer, we would prefer he remain seated and allow somebody else on that side of the House who knew the answers to answer.

**Mr. Speaker:** Order, the Honourable Government House Leader, on the same point of order.

**Hon. Gord Mackintosh (Government House Leader):** On the same point of order, Mr. Speaker. The answer was certainly brief, as I heard it, and was to the point, and the matter was emanating from statements made in the newspapers today. In fact it is my understanding that it dealt with the matter raised which is why there are some funding difficulties in this province, and it is because of members opposite and not members on this side. If the members feel provoked, it is because they should feel provoked. They should be thin-skinned on this.

**Mr. Speaker:** On the point of order raised, I would like to take this opportunity to remind all ministers that according to *Beauchesne's*

Citation 417: Answers to questions should deal with the matter raised.

\* \* \*

**Mr. Caldwell:** The Member, in asking a question, made reference to newspaper articles in the *Free Press*. Quoting from an article today from rural Manitoba: "The Opposition can say what they want. But the problem is at their feet . . ."

The issues that we are dealing with in terms of post-secondary education, in terms of health care in Treherne, all are a consequence of 10 years of underfunding and misguided policies by the members opposite. I will read into the record, if this question pursues, the rates of cuts that occurred at the University of Manitoba over the past decade, and we will deal with that at the next question.

**Mrs. Mitchelson:** That kind of an answer shows utter disrespect for the students that are entering post-secondary education in our province and utter disrespect for our universities and our post-secondary institutions. Students will see through the arrogance and the attitude of the Minister of Education.

It is interesting to note the New Democratic Party go back to what happened in the past, but they neglect to mention in fact that they supported our last budget for education. So it is interesting to see how they deal with the issue when the university in fact says that it is their budget, this NDP budget, that has created the issue for the universities.

The Government seems to be saying that the universities are not telling the truth when they indicate that this NDP Government has not funded post-secondary education or our universities in a manner that is going to afford our students the quality of education that they deserve. If that is the attitude of this government, I think Manitobans will see through that.

I would like to ask the Minister of Education how he can explain to the House the inherent contradiction between the statement that the Premier (Mr. Doer) made to Charles Adler that universities would not suffer from the 10%

tuition fee cut, and the fact that universities are now cutting staff and programs that will impact in a very negative way on the education that our students are receiving?

**Mr. Caldwell:** Manitobans know that the largest increase to post-secondary education funding in the last decade occurred with this year's budget. Manitobans also know, and particularly students in Manitoba know that there has never been a better time in the last two decades for young Manitobans to attend post-secondary institutions, colleges and universities in the province of Manitoba. The increases in the bursary program from the Province of Manitoba, the re-establishment of a bursary program, Mr. Speaker, the tuition reduction that will take place this fall combined with the Canada Millennium Scholarship makes this year the most attractive time in the last 20 years for young Manitobans to attend post-secondary institutions.

\* (13:45)

**Mrs. Mitchelson:** But interesting, it is wonderful to have the opportunity to go to school, but if you are not getting the quality of education that you deserve that does not speak much for even having students stay in our province to complete their post-secondary education. Once they are gone to search for better quality post-secondary education in other provinces they will not be coming back to Manitoba.

Can the Minister, who talks about the open-door policy and the consultation that he has on a regular basis with everyone within the education system, tell me and tell this House and tell Manitobans what programs will be cut as a result of his underfunding of the universities, and what students has he met with to indicate what impact this will have on the quality of education for our young people in Manitoba?

**Mr. Caldwell:** Mr. Speaker, I had the privilege to meet again with the presidents of the colleges and universities on Friday last. We meet regularly. I have been speaking with students this morning. Our record of consultation is unparalleled, frankly, in terms of the post-secondary and public school system.

The universities and colleges in Manitoba offer educational excellence in all their programs. There are difficulties in funding post-secondary institutions in the province. They are not a consequence of the largest increases at historic levels to the system that was provided this year. They are a consequence of minus .23 in 1997-98; minus 2.6 in '96-97; minus 2.9 in '94-95; minus 2.1 in '93-94. Mr. Speaker, we are dealing with the legacy of ruin left by the members opposite.

### Post-Secondary Education Funding

**Mrs. Joy Smith (Fort Garry):** Mr. Speaker, this minister failed to mention to post-secondary students that their 10% tuition-rebate program would result in fewer program choices, fewer staff, and fewer technological resources. Lower tuition only benefits students if the quality of education remains constant or is enhanced. This minister has done neither.

Could I ask you, Mr. Speaker, what is the Minister's response to the UMSU president's charge that, and I quote: The NDP has not kept its promise to students. The quality of education will suffer.

**Hon. Drew Caldwell (Minister of Education and Training):** Well, Mr. Speaker, as a former student leader myself, I appreciate the very hard work that student leaders do on behalf of their institutions. I certainly appreciate the views of the UMSU president when he has discussions with me.

The fact remains, however, that the increase to the post-secondary system this year was the largest increase in over a decade at historic levels, and the management of how those funds are used are best made at the local institutional level, and that is what is occurring.

**Mrs. Smith:** Mr. Speaker, does this minister really believe that wiping out the University of Manitoba's emergency reserve fund will actually benefit students in the years ahead?

**Mr. Caldwell:** No.

**Mrs. Smith:** Mr. Speaker, has this minister prepared any projections as to the impact the \$5-million cut to the University of Manitoba will have on future student enrolment, and can he answer in a complete sentence?

**Mr. Caldwell:** Well, Mr. Speaker, apparently the Member was not paying attention to my earlier answers. We provided this year funding at historic levels, increased funding at historic levels to the post-secondary system. This government remains committed to restoring educational excellence after the brutal attacks that took place on post-secondary education in the province over the past decade.

I read into the record previously, in 1997-98, minus 2.3; '96-97, minus 2.6; 1995-96, minus 0.3; 1994-95, minus 2.9; 1993-94, minus 2.1. Mr. Speaker, the members opposite destroyed in great measure the infrastructure of our post-secondary system, and we are committed on this side of the House to restoring the infrastructure that post-secondary education needs in this province.

#### **Post-Secondary Education Funding**

**Mr. Darren Praznik (Lac du Bonnet):** Mr. Speaker, this minister has totally forgotten that during the 1990s this province went through a recession and was in the process of cleaning up a large deficit and debt left on the children of this province by his party and his type. This issue is about the credibility of the Premier (Mr. Doer) of Manitoba.

I want to ask the Minister, given that he and the Premier have known all the facts he puts on the record, given that the Premier of this province promised, promised university students that there would be no effect on the quality of education, I want to ask the Minister today what he intends to do next year when the problem will get even worse.

**Hon. Drew Caldwell (Minister of Education and Training):** Mr. Speaker, initially the problem will not get any worse, because the members opposite are no longer the Government of Manitoba.

Unlike the members opposite, we do not think that education is something that we can cut willy-nilly. We believe education is an investment in the future of this province, an investment in the future of economic development in this province, an investment in the future of healthy communities in this province, an investment in the future of Manitoba, and we will invest accordingly.

\* (13:50)

**Mr. Praznik:** Mr. Speaker, I want to ask the Minister again: Given that, as a result of their policy issue, given the result of their tying the hands of the university where we are now seeing reductions in the quality of that education, and those are the words of the university, I want to ask him what his plans are for next year when the university predicts this will get even worse unless they have additional money because of that party's promise.

**Mr. Caldwell:** Mr. Speaker, as has been the practice of the Department of Education and Training with the new government of Manitoba, we will continue to consult and meet with our partners at the post-secondary level. We will continue to work with them to repair the shameful legacy left to us by the members opposite.

**Mr. Praznik:** Mr. Speaker, I want to ask the Minister again, because the university needs an answer to this question, students need an answer to this question, given that his Premier has talked ad nauseam in this House about the need for multiyear budgeting, for the need to have consistency for institutions that depend on government funding, I ask him again to give the university, give students in this province an idea as to what they can expect next year, massive tuition fee increases when his one-time political plum comes off or the kinds of dollars they need to support the university, given that this government is taking money away from them?

**Mr. Caldwell:** Mr. Speaker, the Member opposite speaks of consistency, and certainly the members opposite were consistent in their funding to post-secondary education: 1997-98, minus 2.3 percent; 1996-97, minus 2.6 percent; 1994-95, minus 2.9 percent; 1993-94, minus 2.1

percent. The members opposite certainly were consistent in their funding to post-secondary institutions in the province of Manitoba.

This year, historic increases to post-secondary education in the province of Manitoba. We applied a strategy that recognizes investment needs be placed in post-secondary institutions, and that is what post-secondary institutions can expect in the future, investment in the future of our post-secondary institutions.

### **Post-Secondary Education Funding**

**Mrs. Joy Smith (Fort Garry):** Mr. Speaker, this minister has to answer to students of Manitoba. We have demonstrations in the streets, we have people meeting today that are very concerned about the lack of programming for university students. We have students who are going to leave the province because there are not enough programs, not enough courses for them to achieve their academic success. This minister, instead of rhetoric, has to have an answer. What is he going to say to the students at the University of Manitoba about how he is going to put in supports so those programs can be put in place instead of political paybacks?

**Hon. Drew Caldwell (Minister of Education and Training):** Well, certainly, Mr. Speaker, the Government is giving a political payback to the post-secondary institutions in the province of Manitoba. We believe it is good politics to invest in our post-secondary institutions, and that is what we will continue to do. In terms of dialoguing with students, as I mentioned in a remark earlier, perhaps it was missed by the Member, we meet with students, academics and administrators regularly. I had some discussions this morning with students. I will continue to have discussions with students. They offer insights, quite frankly, that the members opposite could have learned from during their 10-year tenure when they went on a massive attack of the post-secondary system. So we will continue to fund and invest in post-secondary institutions and post-secondary education in the province of Manitoba.

**Mrs. Smith:** Mr. Speaker, can the Minister tell this House when he is going to meet with the

students that are walking up and down the highways with placards fearing for the future in the university? When is he going to meet with these students and give them some concrete answers, instead of rhetoric?

**Mr. Caldwell:** Mr. Speaker, I could not even approach the rhetoric expressed by the Member opposite in terms of the placards or students walking up and down the highways. It is kind of an odd exclamation.

**An Honourable Member:** I have not seen any.

**Mr. Caldwell:** No, I have not seen any either.

Mr. Speaker, certainly, as I have stated in previous answers, this government believes in investment in the public education and the post-secondary system in the province of Manitoba. We believe that investment is key to the economic future of this province. We believe that investment is key to a healthy province and a development of a Manitoba that all citizens can be proud of, and we will continue to invest in the post-secondary public school system in the province of Manitoba, unlike the members opposite when they were in government.

\* (13:55)

### **Health Care System Bed Availability**

**Mrs. Myrna Driedger (Charleswood):** The Minister of Health promised to end hallway medicine—it was a black and white promise—six months after he took office. After the election, he said, "There will not be a single patient in the hallways."

Can the Minister confirm that since the April 5 deadline to end hallway medicine that he has broken his election promise, when again last week there were more patients in the hallways than this same time last year?

**Hon. Dave Chomiak (Minister of Health):** Yes, Mr. Speaker, I can indicate, as I indicated at the April 6 press conference, that following just six months in office we had reduced people in the hallways in the month of December, 60



percent; January, 71 percent; February, 75 percent and March, 83 percent.

Mr. Speaker, we undertook a number of measures. We are continuing to take those measures to deal with the hallway situation. Last week, on average, there was one more person in the hallway than the same time last year, one more person. As I indicated, we are continuing, and there will be additional initiatives to deal with the hallway situation.

I am pleased to note that on today's date last year there were four times as many people in the hallways as there are today.

### Nursing Shortage

**Mrs. Myrna Driedger (Charleswood):** I would like to ask the Minister what he has to say to Manitobans who still are in the hallways, despite the fact he promised there would be a 100% decrease in hallway medicine. What is he going to say to those people who are waiting for care, especially now that, under his watch, the nursing shortage in this province has shot up by 40 percent to 1100 vacancies, a situation that the president of the nurses' union describes as "Really awful."

**Hon. Dave Chomiak (Minister of Health):** Mr. Speaker, we will say to Manitobans that, unlike the previous government, we will not lay off a thousand nurses. We will put in place programs like the diploma program that members opposite cancelled and which is the reason we do not have nurses here today in the province of Manitoba. I will say to people in the province of Manitoba we will not close 1400 acute care beds, as members opposite did. We will open additional beds. I will say to the people of Manitoba that we will put in place initiatives and measures to deal with the hallway situation and not deny that it exists, as members opposite did year after year.

**Mrs. Driedger:** I would like to ask this Minister of Health why he continues to put misinformation about the nursing shortage under our watch on the record when he knows for a fact that, of the thousand nurses he keeps talking about being laid off, 830 of those were shortly re-employed after they were laid off, and the

reason they were laid off was because of union clauses which prevented mobility in the contracts. And, Mr. Speaker, I would like to table a document from his department that supports what I am saying and supports the fact that he continues to misrepresent the fact about a thousand nurses being laid off because 850 of those, shortly after being laid off, were re-employed and 274 of them chose to retire.

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

**Mr. Speaker:** Order, order. The Honourable Government House Leader, on a point of order.

### Point of Order

**Hon. Gord Mackintosh (Government House Leader):** On a point of order, Mr. Speaker, I think that supplementary question might have been a record. She was going on and on and on. Of course there cannot be any preamble, midamble or postamble. There was rambling here, quite frankly. I wonder if you could ask her simply to put a question, no preamble.

**Mr. Marcel Laurendeau (Opposition House Leader):** On the same point of order, if the Minister was answering without attempting to mislead the people of Manitoba by putting false information on the record, we would not have to put the information on within our questions, Mr. Speaker, and it was false what the Minister was saying. There has not been a thousand laid off. They were rehired within a month or two.

**Mr. Speaker:** On the point of order raised by the Honourable Government House Leader, I would like to take this opportunity to remind all members that *Beauchesne's* Citation 409(2) advises that a supplementary question should not require a preamble.

\* \* \*

**Mr. Speaker:** I would ask the Member for Charleswood to please put her question.

\*(14:00)

**Mrs. Driedger:** Mr. Speaker, I would like to ask the Minister why he continues to put forward misinformation about the facts of the nursing

shortage when in fact—and I just tabled the documents from his own department that support what I am saying.

**Mr. Chomiak:** Mr. Speaker, I note the Member has supplied a briefing note from the previous minister's Health Department, an explanation that never was uttered in this House the whole time that they were in government. They never acknowledged there was a nursing shortage. They would not even talk about nurses. And now they present a briefing note that is a year old trying to justify. Perhaps they should present the briefing note that talked about the over-expenditure in health. Perhaps they should talk about the briefing note talking about the beds closing, 1400 beds. Perhaps they should present the briefing note that talks about the fact that they did not tell us the truth with respect to nursing shortages.

I want to say, Mr. Speaker, I wish members opposite, in the light of information, would have supported the five-point nursing plan because they have two views. When we announced it, the Member opposite said, oh, we did all that, and now they are saying, oh, we do not support that. But the fact is we have announced the first comprehensive nursing plan in the last decade in this province.

#### **Post-Secondary Education Capital Funding**

**Hon. Jon Gerrard (River Heights):** This morning I visited the architecture library at the University of Manitoba, a library with a collection which is renowned across Canada as the best collection of books and reference material in this area in the country. Sadly, though, due to the neglect by this government and the previous government, this building is leaking like a sieve. Books, computers and other items have to be covered by plastic for protection. Carpets and floors are wet. There are six-inch gaps between the walls and the floor. My question—

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

**Mr. Speaker:** Order.

**Mr. Gerrard:** I ask the Minister why he has failed so pitifully in his duties as Minister of Education.

**Hon. Drew Caldwell (Minister of Education and Training):** Mr. Speaker, the Member for Lakeside said—I do not know if it was picked up—but "all that happened in the last eight months." I appreciate that comment on his behalf.

With regard to the Member's final question, Mr. Speaker, of course, as I mentioned earlier, the Government is very concerned about the huge deficit that exists in the post-secondary system resulting from the past 10 years in underfunding. We are committed, as I indicated earlier, to continuing to invest in post-secondary and public school systems.

This year we invested at historic levels, Mr. Speaker, as well as having a substantial tuition reduction. The Member fails to point out, as he is condemning the Conservative members opposite and the New Democrats on this side of the House, that the Liberal transfer payment cuts also contributed markedly to this situation.

**Mr. Gerrard:** Mr. Speaker, my supplementary to the Minister responsible for decaying buildings and leaking libraries—

**Mr. Speaker:** Order. All members in this Chamber will be addressed by their constituency and all ministers will be addressed by their titles. I would ask the Honourable Member to please withdraw that comment.

**Mr. Gerrard:** I withdraw the comment. My supplementary to the Minister—

**Mr. Speaker:** Order. I thank the Honourable Member for River Heights for that.

**Mr. Gerrard:** My supplementary to the Minister of Education: Will the Minister not admit that his evasive rhetoric is inexcusable given the deplorable state of the infrastructure of our universities?

**Mr. Caldwell:** I do not know what is evasive or rhetorical about the fact that the investment made by the provincial government in post-secondary education this year was larger than it

has been in a decade, in fact reaching historic proportions and that we are committed to ongoing investment in our post-secondary and public school system, moving forward in years to come at levels that are agreed at between our partnerships with the university presidents, the students of universities and the college administration, so we will be investing in our post-secondary education system.

We did this year, and we will continue to do it throughout the course of our mandate.

**Mr. Gerrard:** My second supplementary to the Minister of Education: Since he has had nine months and done nothing, when will the Minister of Education act to stop the waterfalls inside the buildings of our universities?

**Mr. Caldwell:** Mr. Speaker, indeed we have been working to stop the waterfalls and the leaking roofs and the broken windows and the huge infrastructure deficits that are in the system from the last 10 years of neglect and decay. We began that task on September 21 when the people of Manitoba elected this government in the province, and we will continue to invest in our post-secondary and public schools system throughout the course of our mandate.

#### **Education System Student Transportation Costs**

**Mrs. Louise Dacquay (Seine River):** Mr. Speaker, last year the Department of Education and Training provided additional transportation support to the St. Vital School Division for the 1999-2000 school year to ensure students attending Highbury School could be bused to school during a very heavy construction season in the area. Unfortunately, parents have significant safety concerns once again this year because of, again, an increase in the construction.

Mr. Speaker, my question to the Minister of Education is: Has the Minister communicated his decision to the concerned parents, in light of the fact that classes end next week?

**Hon. Drew Caldwell (Minister of Education and Training):** Well, Mr. Speaker, the partnership that exists in terms of bus transportation between the Province of Manitoba and indi-

vidual school divisions of course is something that we took particular note of in the public schools funding announcement this past year. We did place some categorical funding, increased categorical funding, I might add, to this transportation issue. I certainly monitor the issue of transportation in Winnipeg as well as the rural areas, where the members know it is a significant issue, and we will continue to do so in the future.

**Mrs. Dacquay:** I just trust I am not interpreting that as a no. Will the Minister meet with concerned parents who have offered to personally walk him through the area and share the dangers with him first-hand before he dismisses their request for additional support?

**Mr. Caldwell:** Well, I did not detect any dismissal of anything. Certainly I am always happy to meet with parents, teachers, trustees, the public, on issues of education. I find that having a consultation with stakeholders in education is a very useful exercise in making policy. Certainly we have been developing policy around discussions and consultations with parents, teachers, trustees, students and other stakeholders in the public system. So if a party wants to make a request to meet with me I am only too happy to arrange something.

#### **University of Manitoba Students' Union Debate Request**

**Mr. Marcel Laurendeau (St. Norbert):** Mr. Speaker, the University of Manitoba is taking this matter very seriously and are getting tired of the rhetoric that is being pronounced by this Minister of Education.

The president of the student union at the University of Manitoba, Steven Fletcher, this morning challenged the Minister of Education to a debate on CJOB. I wonder if the Minister of Education, if he is so sure of his facts, would take that opportunity to see, and have that debate with Mr. Fletcher on CJOB?

**Hon. Drew Caldwell (Minister of Education and Training):** Mr. Speaker, I meet with the president of the University of Manitoba Students' Union quite frequently, as the Member opposite may know. I understand that the

president is currently seeking a leadership position in the Conservative Party. I am sure this would be very advantageous to him to have this public airing of this matter in terms of his election campaign. He may be, in fact, one of the next leaders of the party over there. It would not surprise me.

Of course I meet regularly, as I have indicated repeatedly in this House, with members of the public, members of the post-secondary and public school system, and I am always too happy to continue that dialogue.

\* (14:10)

**Mr. Laurendeau:** Mr. Speaker, can the Minister, who is afraid to debate young Tories, this minister who is afraid to go on CJOB, or maybe it is this minister who has been told he is not allowed to go on CJOB, will this minister enter into a real debate where he has got to put his facts forward with people on the front lines?

**Mr. Caldwell:** Of course, Mr. Speaker, we do that every day in Question Period. I have never shied away from a debate. I am always happy to get in a battle of wits with anyone. I am a little bit leery of doing battle with unarmed people sometimes, but, as a point, I am always happy to have a discussion.

#### **Health Care Workers Labour Dispute**

**Mr. Ron Schuler (Springfield):** Radiation therapists are holding information pickets, and they along with 1900 other members of the Manitoba Association of Health Care Professionals could hold a strike as early as next week. Wayne Byron of the Winnipeg Regional Health Authority said that the authority does not have a contingency plan if these workers go on strike.

Mr. Speaker, can the Minister of Labour (Ms. Barrett) tell Manitobans, who are worried about appointments and treatments that may be cancelled, what contingency plan her government has in place?

**Hon. Dave Chomiak (Minister of Health):** Mr. Speaker, obviously in any situation of this kind there are contingency plans in place, and I can

assure the Member and members of this House that there are contingency plans that are in place.

**Mr. Schuler:** Mr. Speaker, is the Minister willing to table those, and will he also confirm if part of that contingency plan will include sending patients out of the province for treatment?

**Mr. Chomiak:** Mr. Speaker, I know the Member is new to operations in this House and in this Legislature. The Member must understand and recognize that in fact we are involved in negotiations as we speak, and it has been a common practice in this Chamber in matters of this kind not to table these kinds of information for the public during the course of negotiations.

So I hope the Member can respect and understand what has been clearly a pattern in this Legislature for some time. With regard to that, I can assure you that all efforts are being made to deal with the situation and the contingencies that can be put in place.

**Mr. Schuler:** Mr. Speaker, can the Minister of Labour confirm if members of the Manitoba Association of Health Care Professionals who choose to strike will face legal consequences for their actions?

**Mr. Chomiak:** Mr. Speaker, there are recognized patterns in place, and we are involved in negotiations. Again, I know the Member is inexperienced in this regard, and I think that there has been a pretty well time-honoured tradition in this Chamber with respect to negotiations that the Minister does not engage in negotiations in the Chamber. It has been something that has been respected by members for some time.

I take from the Member's question that perhaps the fact that he is newly elected to this Chamber could have resulted in that kind of question, but I think suffice to say that we are in negotiations in this regard.

#### **Irwood Subdivision Heritage Site**

**Mr. Glen Cummings (Ste. Rose):** Mr. Speaker, about a week to 10 days ago I raised in this

House with the Minister of Culture, the issue of the Birch River subdivision. I wonder if she would update us as to any action she may have taken.

**Hon. Diane McGifford (Minister of Culture, Heritage and Tourism):** Mr. Speaker, I believe that the subdivision in question has been in touch with my department. I believe that the Member is referring, indirectly at least, to The Heritage Resources Act, by which municipalities have designated several portions of rail line as heritage properties.

At this point, there is no action for my department to take. We have received this as information.

**Mr. Cummings:** Well, Mr. Speaker, I stand to be corrected, but as I recall, the Minister said she would take this matter under consideration and left the impression that she was going to take some action.

Is this indeed an opportunity to designate property such as this under a Culture and Heritage designation?

**Ms. McGifford:** Mr. Speaker, my information is that a notification has been given of a meeting and CN has that information, and that CN can come and present their case. I believe CN is taking the position that these particular designations, in fact, should not be designations.

As I say, there really is not a decision for my department to make at this point.

**Mr. Cummings:** Mr. Speaker, it seems to me that the people of this area are looking for some direction and some help to assist them, and particularly to have some support in whether or not this is an appropriate way for them to enter into a dialogue regarding the designation of this tract.

I would have hoped that this minister would now give us a commitment that she will become involved and assist with the designation of this, or is she saying that she does not support what they are doing?

**Ms. McGifford:** Mr. Speaker, The Heritage Resources Act allows municipalities to designate

properties as heritage properties. We have the Act. The Act gives municipalities the right to designate. That is the situation. That is what has happened. That is what is prevailing.

\* (14:20)

### Youth News Network Contract Revisions

**Mrs. Joy Smith (Fort Garry):** Mr. Speaker, in the most recent edition of *The Manitoba Teacher*, the Minister of Education confirmed that YNN is, and I quote: Out for good. The Minister has, however, been made aware of Athena's recent change to its contract, which removes the commercial aspect of YNN and replaces it with public service announcements, including one sponsored by this very minister.

Mr. Speaker, can the Minister of Education advise the House if he or his department is now in receipt of the revised YNN contract?

**Hon. Drew Caldwell (Minister of Education and Training):** Mr. Speaker, I have not seen a revised contract. I am not sure what is in the Department, but certainly there has not been a revised contract placed forth to me. Our decision as a government stands on YNN. I think I have said that innumerable times in this House, and I can only lament the fact that members opposite are more interested in corporations than classrooms.

**Mr. Speaker:** Time for Oral Question has expired.

### Speaker's Rulings

**Mr. Speaker:** I have two rulings for the House.

On June 5, 2000, the Honourable Official Opposition House Leader (Mr. Laurendeau) rose on an alleged matter of privilege alleging that the audio portion of the section of the Committee of Supply meeting in the Chamber had been interrupted on the cable channel coverage provided within the Legislative Building on June 1, 2000, in favour of a government press conference. The Honourable Official Opposition House Leader asserted that the three government

ministers were responsible for this action and that the action superseded the authority of the Legislative Assembly with regard to the broadcasts of the proceedings.

The Honourable Deputy Government House Leader (Mr. Ashton) also spoke to the matter, indicating that to his knowledge the ministers referenced had not directed that any such action take place. The Honourable Member for Lac du Bonnet (Mr. Praznik) and the Honourable Member for River Heights (Mr. Gerrard) also offered advice to the Chair on this matter.

I took the matter under advisement in order to peruse the procedural authorities. I thank honourable members for their contributions to the matter raised.

There are two conditions that must be satisfied in order for the matter raised to be considered a *prima facie* case of privilege: first, was the matter raised at the earliest opportunity; and second, is there sufficient evidence that the privileges of the House have been breached towards putting the matter to the House.

Regarding the issue of timeliness, the Honourable Official Opposition House Leader (Mr. Laurendeau) did raise the matter on the first sitting day after the matter rose, and therefore did raise the matter in the House at the earliest opportunity. Concerning the second condition of whether there exists sufficient evidence that the privileges of the House have been breached, I must advise the House of the following items. Although the Honourable Official Opposition House Leader (Mr. Laurendeau) indicated that control of the broadcasting systems according to Marleau and Montpetit in *House of Commons Procedures and Practices* remains with the House and is under the supervision of the Speaker, acting on behalf of all members, it must be noted that Manitoba practice is at variance with the practice followed by the House of Commons. The House of Commons has a broadcasting section that is run for the House by House employees, while in Manitoba the broadcasting of House proceedings is conducted for the Legislative Assembly by staff from Information Services of the Department of Culture, Heritage and Tourism, with some funding provided by the Legislative Assembly. To my

knowledge, the Assembly has not adopted any type of guidelines or issued any directives regarding the broadcasting of the video and audio portions of the House or committee proceedings.

In a ruling given by Madam Speaker Phillips on June 20, 1986, the privileges of Parliament, as enumerated in Maingot's *Parliamentary Privilege in Canada*, were defined as the following: individual privileges are freedom of speech, freedom from arrest and civil process, exemption from jury service and the privilege relating to members summoned as witnesses. The corporate or collective privileges of Parliament were defined as the power to punish for contempt—or its penal jurisdiction—the right to regulate its own constitution, the right to regulate its own internal affairs free from interference, the right to discipline its own members, the right to institute inquiries and call for witnesses (persons, papers and records) and the right to settle its own code of procedure.

Erskine May defines privilege as "the sum of the peculiar rights enjoyed by each House collectively as a constituent part of the High Court of Parliament, and by members of each House individually, without which they could not discharge their functions."

Maingot on page 224 of *Parliamentary Privilege in Canada*, 2nd edition, states that "parliamentary privilege is concerned with the special rights of members not in their capacities as ministers or as party leaders, whips or parliamentary secretaries, but strictly in their capacity as members in their parliamentary work. Therefore, allegations of misjudgement or mismanagement or maladministration on the part of a minister in the performance of his ministerial duties does not come within the purview of parliamentary privilege."

On page 80 of Maingot's *Parliamentary Privilege in Canada*, it is stated that: Privilege of Parliament is founded on necessity and is comprised of those rights that are absolutely necessary for the due execution of its powers. Arguably, necessity should be a basis for any claim that an event was part of a "proceeding in Parliament" i.e., what is claimed to be part of a proceeding in Parliament and thus protected

should be necessarily incidental to proceeding in Parliament.

Maingot further advises on page 81 that proceedings in Parliament do not include speeches in the Chamber or in committee. Additionally, on page 49, Maingot also asserts that electronic Hansard (i.e., broadcast by television or audio) is a broadcast of the debates of the House; however, debates are not proceedings of the House and are therefore not covered by parliamentary privilege.

In a ruling given on April 3, 1991, Mr. Speaker Rocan referenced an April 29, 1971, ruling given by Speaker Lamoureux of the House of Commons, which states that the nature of a member's parliamentary privilege is limited. The ruling advises that "parliamentary privilege does not go much beyond the right of free speech . . . and the right of a Member to discharge his duties in the House as a Member." He noted that in many cases if a member has a cause for complaint, it ought to be taken up in the form of a grievance against the Minister or government by way of a substantive motion and not a matter of privilege.

Mr. Speaker Fox ruled on March 30, 1972, that allegations of misjudgement, mismanagement or maladministration on the part of a minister in the performance of his ministerial duties does not come within the purview of the parliamentary privilege.

Madam Speaker Dacquay, in a ruling given on June 2, 1995, quoted from Maingot's *Parliamentary Privilege in Canada* and stated that "while it will be seen that the Member enjoys all of the immunities necessary to perform his parliamentary work, this privilege or right . . . is nevertheless subject to the practices and procedures of the House. Thus allegations of breach of privilege by a member which amount to complaint about procedures and practices in the House are by their very nature matters of order."

In a case raised in the Canadian House of Commons concerning the alleged exceeding of authority by a committee in televising a broadcast of its proceedings without authorization of the House, Speaker Fraser ruled on April 9,

1987, that although the committee had shifted the authority and the power against the rules, he did not feel as the Speaker that it was in the interests of members for him to pursue the matter. He noted that the House of Commons Board of Internal Economy had not presented an order to the House regarding the televising of committee proceedings. Given this, Speaker Fraser ruled that the obligation lies with members of all parties to put the procedural rules in place to enable this to happen. This could be construed to be similar to the current situation in Manitoba—at present there are no rules or guidelines in place regarding the broadcasting of audio and video proceedings of the House, and it would be appropriate for the House, not the Speaker, to put those guidelines in place.

Although the Member may have a serious complaint or grievance, I am ruling that he did not establish a prima facie case of privilege, and therefore rule his motion out of order as a matter of privilege. I would, however, suggest to the Member that he may wish to pursue the issue of audio broadcasting of House and committee proceedings with either the Standing Committee on the Rules of the House or the Legislative Assembly Management Commission in order to further discuss this issue and perhaps raise the issue of establishing guidelines for the broadcasting of House and committee proceedings.

\* \* \*

On June 5, 2000, the Honourable Deputy Government House Leader (Mr. Ashton) rose on an alleged matter of privilege asserting that the Honourable Opposition House Leader (Mr. Laurendeau), in the raising of a matter of privilege, had made an allegation that several government ministers were responsible for the switching off of the audio portion of the Chamber section of the Committee of Supply on June 1, 2000, which was replaced by a government press conference. The Honourable Deputy Government House Leader disputed that the ministers indicated had been involved or had caused the action to take place and concluded his remarks by moving that the House ask the Honourable Opposition House Leader to withdraw the assertion. The Honourable Official Opposition House Leader and the Honourable Member for Portage la Prairie (Mr. Fauschou)

offered advice on the alleged matter of privilege. I took the matter under advisement in order to peruse the procedural authorities.

I thank all members for their advice to the Chair on this matter.

There are two conditions that must be satisfied in order for the matter raised to be considered a *prima facie* case of privilege. First, was the matter raised at the earliest opportunity, and second, is there sufficient evidence that the privilege of the House has been breached to warrant putting the matter to the House.

With respect to the first condition, I find that the matter was raised at the earliest opportunity in that the Honourable Deputy Government House Leader did raise the matter shortly after the initial matter of privilege was raised by the Honourable Leader of the Official Opposition, so the condition of timeliness has been met.

\* (14:30)

Regarding the second condition, it has not been demonstrated that privileges of the House have been breached. *Beauchesne's* Citation 25 advises that parliamentary privilege does not go much beyond the right of free speech in the House and the right of a member to discharge his or her duties in the House as a member.

Marleau and Montpetit, on page 51 of the *House of Commons Practices and Procedures*, list the rights and immunities of members individually as being: freedom of speech, freedom from arrest in civil actions, exempt from jury duty and exemptions from attendance as a witness. The rights and powers of the House as a collective may be categorized as the power to discipline; the regulation of internal affairs; the authority to maintain the attendance and service of members; the right to institute inquiries and to call witnesses; the right to administer oaths to witnesses; and the right to publish papers containing defamatory material. I have difficulty in categorizing the complaint of the Honourable Minister as fitting into one of these categories.

In addition, *Beauchesne's* Citation 31(1) advises that a dispute arising between two members as to the allegations of facts does not

fulfill the conditions of parliamentary privilege. This point is reinforced by rulings from Manitoba Speakers. Mr. Speaker Graham ruled on March 6, 1980, that a dispute between two members as to allegations of fact did not constitute a breach of privilege. This finding is also contained in similar rulings from Mr. Speaker Rocan on August 3, 1988, June 28, 1989, and March 14, 1990, and by a ruling given by Madam Speaker Dacquay on December 10, 1997.

I would also like to point out for the House that Mr. Speaker Fox ruled on March 30, 1972, that allegations of misjudgment, mismanagement, or maladministration on the part of a minister in the performance of his ministerial duties does not come within the purview of parliamentary privilege.

Although the Honourable Minister may have a complaint of imputation of motives or a grievance, it has not been demonstrated that a *prima facie* case of privilege exists, and I must rule the motion out of order as a matter of privilege.

**Mr. Marcel Laurendeau (Opposition House Leader):** Mr. Speaker, even though there was no *prima facie* case, I would like to apologize to the Minister of Government Services (Mr. Ashton), the Minister of Consumer and Corporate Affairs (Mr. Lemieux) and the Minister of Northern Affairs and Aboriginal Affairs (Mr. Robinson). If my statements offended them or if my matter of privilege offended them, I apologize.

**Mr. Speaker:** I thank the Honourable Member for that.

#### TABLING OF REPORTS

**Hon. Gord Mackintosh (Government House Leader):** I wonder if there is unanimous consent of the House for me to table the Supplementary Estimates for Health.

**Mr. Speaker:** Is there leave for the Honourable Member to table the Supplementary Estimates of Health? *[Agreed]*

**Mr. Mackintosh:** I am tabling the Supplementary Estimates for Health, Mr. Speaker.



## MEMBERS' STATEMENTS

### San Clara, Manitoba

**Mr. Stan Struthers (Dauphin-Roblin):** Mr. Speaker, it is with a great deal of pleasure that I rise today to pay tribute to the residents and volunteers in the community of San Clara, Manitoba. San Clara is a small community north of Roblin that was the first Manitoba site for the Cross-Canada Millennium Relay that entered our province on Sunday, June 18. I have actually two reasons to congratulate the people who live at San Clara because on that day they also opened their new San Clara and District Millennium Park.

I want to pay tribute to all of those who volunteered to put together an excellent ceremony at San Clara on June 18. I want to thank the volunteers who worked with the Millennium Relay, and we are all, in our area, very proud to welcome the relay runners and their organization into Manitoba in our little community of San Clara.

I also want to commend the work done by Fay Lenderbeck who was the M.C. that day for the ceremonies and thank her for all the work that she did in making that day possible. I want to particularly applaud the volunteers who raised the money and did the actual work of constructing the San Clara and District Millennium Park. Many hours of work were put into this project. It is a testament to the spirit of co-operation that we find in so many small rural Manitoba communities, and certainly San Clara was no exception to that fact.

I want all honourable members to join me in congratulating the residents of San Clara for the opening of their new Millennium Park and for bringing in and welcoming the Millennium Cross-Canada Relay. Thank you.

### Farm and Food Days

**Mr. Frank Pitura (Morris):** Mr. Speaker, I would like to take this opportunity to say a few words about the Heart of the Continent Farm and Food Days which will take place September 21 to 23 at Red River Exhibition Park. This year's edition of the event is unique in that, for the first

time, the Valley Agricultural Society of Morris and the Red River Exhibition Association of Winnipeg are partnering in this project.

Farm and Food Days is an opportunity for Manitobans to learn more about the agricultural industry. The vision of Farm and Food Days is to focus on technology, research and trends in agriculture and food production that give producers a competitive edge in the global marketplace. It also hopes to provide an opportunity for increased consumer appreciation of agriculture and food production. This year's event is a culmination of several years of discussions, and the result is an event that will provide a showcase and a celebration of agriculture and food production. Indeed Farm and Food Days will provide an interactive opportunity for all Manitobans to celebrate the province's rich agricultural industry. As one organizer said, it is supposed to encompass all of agriculture from gate to plate. Farm and Food Days is sure to offer something for everyone, ranging from research and development oriented displays to sales of fresh Manitoba produce and cooking demonstrations.

I would like to wish all organizers all the best with this new undertaking, and I would encourage all Manitobans to visit Farm and Food Days September 21 to 23 and become better acquainted with our province's agricultural sector. Thank you, Mr. Speaker.

### Adrian Crump

**Mr. Jim Maloway (Elmwood):** Mr. Speaker, one February afternoon last year, 11-year-old Adrian Crump pushed three children out of the path of an accelerating pick-up truck. The River Elm School Safety patroller thus saved the lives of the three four-year-old girls, narrowly missing injury himself. It was a moving occasion yesterday, then, when Adrian was presented with the Canadian Automobile Association Governor General Lifesaving Award by our Lieutenant-Governor Peter Liba. To underline the significance of the occasion, there was an array of representatives from the Government, including myself as the MLA for Elmwood, and organizations which support school patrols. But what added special poignancy to the occasion was the presence of Adrian's 300 schoolmates, including

the three whose lives he saved, as well as the girls' families.

The Premier's congratulatory message to Adrian reads in part: Your instinctive action to protect the children who were crossing the street at that time is an example to all of us. I know that the families of these children will be forever grateful for your actions and that other children feel safe knowing that you are on duty as a patrol. On behalf of the Government of Manitoba, it is an honour to extend congratulations and thanks to you for your heroic actions.

Ms. Debbie Korn, the parent crossing guard working with Adrian at the time of the incident, received a letter of commendation from the Premier for her part in saving the three girls. It was Ms. Korn who first noticed the speeding truck and called out a warning to Adrian to push the children back on to the curb. I would like to take this occasion to add my personal thanks and congratulations to these two heroes.

#### **Melvin C. Toews Reading Garden**

**Mr. Jim Penner (Steinbach):** Mr. Speaker, on June 15, the Jake Epp Library in the city of Steinbach honoured one of its most cherished members with the opening of the Melvin C. Toews Reading Garden. Mr. Toews was, for the benefit of all members of this Chamber, a gentleman of unique character who taught elementary school in Steinbach for more than three decades. Throughout his life, he maintained a strong interest in Canadian history and presented to all his students a love of this great country. His habit of referring to his Grades 5 and 6 students as young Canadians led to the Elmdale Elementary School creating an annual award, upon Mr. Toews' retirement, called the Young Canadian Award presented to a Grade 6 student who demonstrated the finer attributes of Canadian citizenship.

\* (14:40)

Those who had the pleasure of being taught by Mr. Toews will always remember his creative lessons and the way he gave of his own resources and time to make the classroom educational and fun. Melvin Toews was a founding member of the Steinbach Library

Board in '73 and worked hard to grow the library during his 20 years as a member of that board. When the board decided to honour his contribution to the library, they chose to pay tribute to his two loves, the outdoors and reading, by creating the Reading Garden in his honour. Everyone at the opening agreed that it was a fitting memorial that would serve as a lifelong reminder of the many lives Mr. Toews contributed to positively with his efforts.

On behalf of all honourable members, I would like to thank all those who worked to bring this worthwhile tribute to reality. It is a proper and respectful reminder of an individual who was truly an extraordinary citizen. Thank you.

#### **East End Millennium Park**

**Mr. Scott Smith (Brandon West):** Mr. Speaker, it is with great pleasure that I stand today to pay tribute and recognition to a community project in Brandon.

Mrs. Pamela Gramiak is the co-chair for an organization known as the East End Millennium Park Committee, which is made up of a group of concerned parents and community members, whose mission is to provide a clean, safe, accessible play structure for children 12 years and under, for people with all forms of abilities.

The project was originally started with the hopes of getting a millennium grant going from both federal and provincial. They were unsuccessful in that, but that did not stop them, Mr. Speaker. They continued on with a fundraising goal of \$50,000, and to date, they have made over \$31,000 towards that goal.

The members of the community that have rallied to help out in this goal have gone from a small community organization to the entire city of Brandon and surrounding area, and people that deserve special recognition for it are certainly Chris de Gobeo, the manager of the McDonald's restaurants in Brandon that came through to provide funding through the Ronald McDonald Children's Charities of Canada to the tune of \$22,450 to provide wheelchair portions and access for people with all abilities to the structure.

They have successfully involved a number of other people in the city of Brandon, many of whom are seen on many volunteer projects. Sharon Moore, from the Society of Manitobans with Disabilities, has provided a great deal of assistance; Mr. Bob Pelletier, from the Canadian Paraplegic Association of Manitoba, has spent a great deal of time and effort in volunteering for this project as well.

The effects it will have on the quality of life in the city of Brandon are numerous. The people that are doing it, I would just like to say in closing, are very inspiring, and I give credit to the dedication of the people and the members for their project and I wish them the very best. Thank you, Mr. Speaker.

### ORDERS OF THE DAY

**Hon. Gord Mackintosh (Government House Leader):** Mr. Speaker, I move, seconded by the Minister of Agriculture and Food (Ms. Wowchuk), that Mr. 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)

#### CULTURE, HERITAGE AND TOURISM

\* (14:50)

**Mr. Chairperson (Harry Schellenberg):** Order, please. 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 Culture, Heritage and Tourism.

When the Committee last sat, it had been considering item 14.4. Tourism (c) Tourism Development (2) Other Expenditures, on page 54 of the Main Estimates book. Line 14.4.(c)(2) Other Expenditures \$204,100. Shall the line pass?

**Hon. Jon Gerrard (River Heights):** I have a couple of questions, and I wondered if I might have leave to ask them. Other Expenditures might not be a bad area. This has to do with a question to the Minister. One of the Government's major initiatives in its first nine months has been to move to facilitate the establishment of five new casinos.

I would like some clarification from the Minister in terms of her role, Culture, Heritage, Tourism and, of course, the Minister responsible for the Lotteries Corporation, in terms of the five new Aboriginal casinos.

**Hon. Diane McGifford (Minister of Culture, Heritage and Tourism):** As the Minister of Culture, Heritage and Tourism—and I speak not as the Minister responsible for Lotteries because these estimates are the Estimates of Culture, Heritage and Tourism—I have had no role in the selection process of the five casinos. Now I do want to say that we had two individuals from the Department of Tourism who provided advice. Now let me just check.

Just to continue, Mr. Chair. I am advised that there were nine review components in the selection process and that one of those components was the Department of Tourism and there were two individuals from the Department of Tourism who worked in this area.

**Mr. Gerrard:** I would like clarification, not only on what the involvement has been to date but what the projected plans would be for the future, as the casinos might be perceived as being important for tourism, for culture and for heritage.

**Ms. McGifford:** As we said, one of the nine criteria was for tourism, so clearly there is the expectation that the casinos could have some value when it comes to tourism. There was nobody from the Arts branch, there was nobody from Historic Resources who worked with Mr. Nadeau and Mr. Freedman.

**Mr. Gerrard:** I take it then that your answer means that you see no role for these casinos in culture and heritage but only in tourism.

**Ms. McGifford:** Mr. Chair, that is not precisely what I am saying. I am saying that two staff-people from Tourism were asked to review the proposals and provide some information, and I am not trying to dance around the Member's questions, but I have never seen any of the information. It is strictly confidential and remains strictly confidential. In fact, I did not know who these two members were until Nadeau and Freedman published their report.

**Mr. Gerrard:** As we are dealing with the Estimates of Expenditure in the coming year, I would ask that whether, in fact, you would see a role—as these casinos are built and start to operate—in culture or heritage as well as tourism, and if so, whether there would be any expenditures within the Department which might be earmarked in any way.

**Ms. McGifford:** Mr. Chair, it is somewhat tenuous, both the question and the answer because I want to make clear that as of yet, there are no casinos established. All the casinos, as I know that the Member understands, have caveats or conditions. So, I do not know when the first casino will go up, I do not know if a casino will go up. None of us know that. This is all very much in process. It is very fluid. So, as I say, I am not trying to dance around the Member's questions, it is just that everything is quite tenuous.

Now, if a casino does go ahead, or if and when a casino does go ahead, then my Department of Tourism is likely to work on the promotional aspects of the Aboriginal casinos with the proponents. We expect this to take place just as we have worked with McPhillips and Regent streets in promoting those casinos outside the province.

The third question the Member asked was do we expect to spend money or what would the expenditures be, or the proposed expenditures, and the answer is, we would not be spending money. The monies would come from the budgets of the casinos.

**Mr. Gerrard:** So you are implying, if I understand correctly, that you may be ready, if the casinos move forward, to allocate staff time, and the money for that staff time would come

from the casinos themselves, not from the Department, which is the more common circumstance?

**Ms. McGifford:** Our marketing staff, as part of their work, work with all departments on promoting endeavours that will bring tourists to Manitoba, so that is my answer. But the Member, I believe, had asked specifically if money would come from the budget of either the Arts Branch or Historical Resources. I think the words that the Member used were Culture and Heritage, and the answer to that is no.

**Mr. Gerrard:** Since part of the allocation of Estimates that we are dealing with in the course of starting the Estimates here deal with the Minister's Salary, and part of the Minister's responsibility is in terms of the Lotteries Corporation, is it not fair to ask what you see as a role responsible for the Lotteries Corporation and the role of the Lotteries Corporation in up to five casinos at any point of time?

**Ms. McGifford:** I do not know whether it is fair or not. Perhaps we need to get some advice from the Clerk.

\* (15:00)

**Mr. Chairperson:** I would like to pass a ruling here. The Manitoba Lotteries Corporation is not contained in the Estimates of the Department of Culture, Heritage and Tourism as referenced on page 4, Statutory Responsibility of the Minister of Culture, Heritage and Tourism. The Minister is charged with administration of the Manitoba Lotteries Corporation. The Manitoba Lotteries Corporation Annual Report by regulation dated July 2, 1991, must be referred to a Standing Committee. Therefore, questions pertaining to the Manitoba Lotteries Corporation should be dealt with when the Manitoba Lotteries Corporation Annual Report goes before a Standing Committee of the Legislative Assembly.

I might further add in the departmental Estimates of Consumer and Corporate Affairs, resolution 5.1, Administration Finance contains a line item (f) entitled First Nations Casino Selection Committee. Members who have questions pertaining to this area should be directing them to the Minister of Consumer and

Corporate Affairs, when those Estimates, which are next on the order of Estimates in this room, come before the Committee. Thank you.

**Ms. McGifford:** Mr. Chair, I have an alternate suggestion. The Member could certainly ask his questions in Question Period.

**Mr. Gerrard:** I would like to go back once more to the issues of Heritage and Culture. The First Nations in this province are rich in terms of heritage and culture, and it seems to me that there are some aspects of existing casino operations, the historical tour for example, which would deal with Heritage and Culture. I would like to ask one more time if there may not be a role in bringing forth a better understanding of heritage and culture of the Aboriginal community in the development of the casinos in the planning?

**Ms. McGifford:** Well, it is a very interesting question, and, I think, that the Member is suggesting very real and interesting possibilities. I do not know what the design of the proposed casinos will be ultimately. I do not know whether there will be five casinos, two casinos, three casinos, one casino or zero casinos. But let us assume there will be some casinos, and if Aboriginal people choose to showcase their culture and heritage in the casinos in any way, I am sure that people in my department would be happy to provide any advice if that advice were sought. But I personally do not know how Aboriginal people will choose to showcase their casinos.

One interesting possibility is, we did speak yesterday, I believe, about the casino as a tourist destination, and one of the things that appears to draw more tourists is if there is more than one venue at a particular destination. So possibly another facility can be in the environs of the casino. There are a lot of possibilities, and I am sure that Aboriginal people are thinking about them. The Culture and Heritage portions of my department have not yet been consulted with, so I think we are speaking in the unknown right now. So I am sorry again to provide answers that are tenuous, but they are because the nature of our discussion is tenuous.

**Mr. Gerrard:** I would ask just a little bit further understanding. What is the current status of

expertise within the Department in dealing with the culture and heritage of First Nations Aboriginal people in Manitoba?

**Ms. McGifford:** Well, you know, it is a very interesting question because I know that I toured the historic branch in October, and I was absolutely staggered by the expertise in that department. Every person who works in that department has expertise. I am sorry that the staff from Historic Resources are not with us—they were here yesterday—because we could give you much more specific information. Of course, if you wish to write to me, we can always supply more details about the expertise of people in the Historic Resources branch. But we have historians, we have archaeologists, we have archivists, we have people who are extremely interested in Aboriginal history, Aboriginal artifacts, archaeology. I know that my department has worked in the North in many areas with excavations and assisting Hydro in preserving and removing artifacts if there is going to be dams or flooding or whatever.

So we really do have a lot of expertise in the Historic Resources branch, and we are very proud of the work that they do.

**Mr. Gerrard:** I am pleased to hear that. I would ask in follow-up, what is the number or proportion of staff within the Department who have an Aboriginal or First Nations background?

**Ms. McGifford:** Perhaps we could provide the Member with that information in writing. As I told him, the staff are not here who have the expertise in that area.

**Mr. Gerrard:** That would be fine.

**Mr. Mervin Tweed (Turtle Mountain):** Just a couple of questions under Tourism. I know that the Tourism Department were asked to provide some advice in regard to the casino proposals, and I am just wondering if the Minister could enlighten us as to what type of information were they seeking from the Department of Tourism in that regard.

**Ms. McGifford:** As I already indicated, I cannot provide detail because there were consultations, and that information was all confidential. I just

wanted to add for the benefit of the Member for Turtle Mountain, indeed I have not seen the information that staffpersons provided because it was confidential to Nadeau and Freedman.

**Mr. Tweed:** I guess then, can you identify who those people from Tourism were?

**Ms. McGifford:** Yes, I can. Until the Nadeau and Freedman report was released, in fact, I could not, because I did not know. But the names are Joe Keszi and Jan Collins, and they are both development consultants.

**Mr. Tweed:** I guess what the Minister is saying is that people from her department were taken to work on a secret project that she was completely uninformed about.

**Ms. McGifford:** Mr. Chair, of course, language is always very interesting, and the nuances of words are very interesting, so I would not talk about a secret project. I do not think it was secret. Everybody knew that this process was going on. I would say that the process was confidential, and confidential for very good reasons, and many government processes are confidential. Most business processes are confidential. There are nearly always very good reasons for confidentiality.

In this particular case, the process was confidential. It was an agreement reached between the AMC and government to each nominate a person to the selection committee. I think that the Minister of Corporate and Consumer Affairs (Mr. Lemieux) has made this point several times in the House so that the AMC named Mr. Nadeau and the Government named Mr. Freedman, and then these two individuals sought advice from nine departments. Included amongst those nine departments was the Tourism part of Culture, Heritage and Tourism.

Tourism assigned two individuals to work with the selection committee. Now, these individuals were not, by any means, working day and night with the selection committee. I am informed that they had a couple of intensive weeks of work during the period when the

selection committee was doing its work, and, of course, the work ended on June 1, when the report was released.

\* (15:10)

**Mr. Tweed:** I guess the only comment I would make is, no matter what businesses do or governments do, the managers or the people in charge of the Department, in my mind, would know where those people were and what they were seconded or asked to do. It would seem odd that Mr. Keszi and Ms. Collins would perhaps not show up for work for two weeks and nobody would suggest to anybody in the Department where they might be.

I guess my question would be: Is the Minister the only one in the Department that did not know that those people were on there?

**Ms. McGifford:** Well, there are a number of comments that I would like to make. First of all, I want to point out that the individuals were not seconded away. They worked within the Department, and it was deemed that this was the way that they would work.

Let me stress again that the co-chairs of the selection committee ran a very confidential distant-from-government process, and again they ran a very confidential distant-from-government process for very important reasons. Had the Department or had the Minister been intimately involved, the independence of the selection committee would have been questioned and the choices of the selection committee would have been not worth the paper they were written on. So there was, as I have repeatedly said, some very good reasons for confidentiality.

**Mr. Tweed:** Is the Minister suggesting that no minister of the Government knew of any names that were being used by the selection committee?

**Ms. McGifford:** Mr. Chair, I can only speak for myself. I cannot speak for the other individuals. Perhaps the Member would like to talk to the other ministers in question, but I can speak only for myself, and as I said, in order to ensure the integrity of this process, the confidentiality of this process, the selection committee was run in the way it was run.

**Mr. Tweed:** Well, then, I guess the Minister would agree with that statement because she just said that, in order to keep the integrity, no one knew. I guess I am a little confused or a little disappointed that not one person in government, not one person in the Cabinet knew who was being chosen from their working departments to provide advice. I find that absolutely astonishing.

**Ms. McGifford:** Well, I just want to make the point again. I just want to make the point really clearly to the Member that I can only speak for myself. I do not know what other ministers knew or did not know, so I am speaking for myself. If the Member wants to know what other members knew or did not know, I think he has to speak to these members. Let us just be clear about that.

**Mr. Tweed:** Has the Department of Tourism provided any studies to the casino proponents as to tourism opportunities with the development of a casino?

**Ms. McGifford:** Mr. Chair, just to check, is the Member asking me if we provided any studies to the existing casinos or to the proponents of the possibly successful five casinos?

**Mr. Tweed:** I would expect I would be asking about the five proposed casinos.

**Ms. McGifford:** And so the question is: Have we provided any studies to the proposed casinos, the five casinos?

**Mr. Tweed:** Has the Department of Tourism provided any studies or any information to the casino projects in order to allow them to finish a business plan which includes, I would hope would include, some tourism numbers and some tourism opportunities that were seen to help offset the development of the casino?

**Ms. McGifford:** Mr. Chair, the proponents who produce proposals, of which I believe there were 11 proposals, if the Member is asking us if any of those 11 proponents were able to seek advice from the Department of Tourism—is that the question?

**Mr. Tweed:** I will try to state this as clear as I possibly can. Did the Department of Tourism

provide any studies or any analysis of markets to offer to the proponents of the casinos in order to help them enhance or include in their projects?

\* (15:20)

**Ms. McGifford:** But I am not clear whether the Member is asking about the 11 proponents who submitted proposals or whether the Member is—what does the Member specifically mean by proponents?

**Mr. Tweed:** The proposals that the RFPs that were called for looked at all sorts of aspects as to where a casino should be and could be developed in the province of Manitoba. Did the Tourism Department provide any information or studies to enhance these proponents' proposals to be a part of the selection?

**Ms. McGifford:** I thank you. I am advised, Mr. Chair, that the Department of Tourism, for example, did not do a general mail-out providing tourist information to proponents or the two proponents. Independent consultants, who individual proponents had hired to assist them with their plans, may have contacted the Department of Tourism.

I would like to take that question under advisement, because we do not have the information with us today.

**Mr. Tweed:** The people that were making the proposals for Aboriginal casinos, obviously part of the impact would be what is the tourism upside of this. Obviously, unbeknownst to the Minister, two people from her department were assigned to provide that type of information.

I am asking was there a study or anything that was provided by the Department that would give them that information.

**Ms. McGifford:** I am sorry, Mr. Chair, that the Member is becoming so exasperated. Let me be clear. The two persons from the Department of Tourism provided no information whatsoever to the proponents; rather, they worked with Mr. Freedman and Mr. Nadeau, not with the proponents. As I said, the proponents may have hired consultants who may have contacted the Department of Tourism seeking advice or

statistics or information, but I do not have that information. We want to make sure that the Member gets very accurate answers, so we are not going to hazard a guess. We are going to get very concrete definite information for the Member, and we will forward it to him.

**Mr. Tweed:** Would a fair question then be: Did any of those proponents that may have contacted the Department of Tourism for information to enhance their projects, would they have contact with Joe Keszi or Jan Collins?

**Ms. McGifford:** Mr. Chair, normally when an individual contacts the Tourism Development people, they would be referred to research people for statistics and studies.

**Mr. Tweed:** Mr. Chairman, does the Minister plan to undertake any studies in the areas where the new casinos have been announced in regard to tourism opportunities, tourism numbers and proposals that would enhance these opportunities?

**Ms. McGifford:** Mr. Chair, I think we have been talking about the fluidity of the whole process. I know that in the House the Minister of Consumer and Corporate Affairs (Mr. Lemieux) has made the point that this is step one, and we do not know how many casinos will eventually be created. There may be as many as five. Until there is something more definite, or until we might be asked by the implementation committee, which is beginning to—well, it has been formed and will begin its work—until we are asked by the implementation committee to provide them with information or to do some research that they may require, we in our department are not planning to do any research.

**Mr. Tweed:** Has the Department of Tourism provided any funding for any studies or any background studies in regard to the casinos?

**Ms. McGifford:** In response to the question, has there been any funding for the Department in relationship to tourism with regard to these five casinos, no, there has not been.

**Mr. Tweed:** Has there been any application by any of the five successful proponents to access funding to do a tourism study?

**Ms. McGifford:** We have not seen any, which is not to say, I suppose, that there is not an application in the mail or in the office, but we have not seen any.

**Mr. Chairperson:** Line 14.4. Tourism (c) Tourism Development (2) Other Expenditures \$204,100—pass; (3) Grant Assistance \$498,600—pass.

**Ms. McGifford:** Mr. Chair, perhaps I could take this opportunity to put some information on the record in response to a question that was asked to me yesterday by the Member for Turtle Mountain (Mr. Tweed). He was interested in the number of vacancies in Translation Services. My information is that on October 5 there were five vacancies, and today there are three vacancies. This government is very committed to the Charter report, and, of course, that is why we are very anxious to staff Translation Services and get materials translated.

I also wanted to put on the record at the same time that yesterday the Member for River Heights (Mr. Gerrard) was asking me some questions about the Manitoba Film and Sound Development Corporation. I told him that the Manitoba Film and Sound Development Corporation did not administer the Manitoba tax credit, and I have been corrected by my staff. In fact, they corrected me yesterday, but it was just about six o'clock, so I did not put the correct information on the record.

In fact, the Manitoba Film and Sound Development Corporation do administer the program, but the decisions are made by the Department of Finance. Our department is certainly vocal in urging the Department of Finance to make certain decisions with regard to this program, but it actually is that department that makes the decisions. The program for film tax credit is administered by Film and Sound. Thank you, Mr. Chair.

**Mr. Tweed:** I do want to thank the Minister for those comments. Although I was not here, I was listening to the Member for River Heights' questions, and I think it is worth acknowledging the fact that the film industry in the province of Manitoba in the past 10 years has grown considerably, and the new announcements of the



current investment that is taking place in Manitoba, I think, are a tremendous statement for Manitoba. I do want to add a footnote, though, that I do believe that that strong growth is happening because the province and, fortunately, the province under the new government continues to recognize the advantages of the tax incentives to those companies.

\* (15:30)

**Mr. Chairperson:** We have completed the line by line for resolution 14.4. I will read it now.

Resolution 14.4: RESOLVED that there be granted to Her Majesty a sum not exceeding \$7,351,900 for Culture, Heritage and Tourism, Tourism, for the fiscal year ending the 31st day of March, 2001.

***Resolution agreed to.***

Item 14.7. Amortization of Capital Assets \$628,300—pass.

Resolution 14.7: RESOLVED that there be granted to Her Majesty a sum not exceeding \$628,300, for Culture, Heritage and Tourism, Amortization of Capital Assets, for the fiscal year ending the 31st day of March, 2001.

***Resolution agreed to.***

The last item to be considered for the Estimates of the Department of Culture, Heritage and Tourism is item 14.1.(a) Minister's Salary \$27,300.

At this point we request that the Minister's staff leave the table for the consideration of this item.

Item 14.1.(a) Minister's Salary \$27,300. Shall the line pass?

**An Honourable Member:** No.

**Mrs. Louise Dacquay (Seine River):** Mr. Chair, last Thursday, and I want to read into the record a comment made by the Minister regarding the memo that I had requested on several occasions: "When we began proceedings today," and I am quoting her exact comments, "I

did say that my department looked through some of our documents and found a document that contained some phrasing that was similar to something that occurred in the Doug Nairne article."

My question to the Minister is: Is she prepared to table that memo today?

**Ms. McGifford:** Mr. Chair, I have repeatedly told members opposite that there is not a memo. The Member persists in the use of that term, but it is not a memo.

**Mrs. Dacquay:** Then I will rephrase my question, Mr. Chair. Is the Minister prepared to table that information in whatever form it may be?

**Ms. McGifford:** Mr. Chair, the point I made last week, perhaps it was the day before this particular document was discussed, was that I would ask staff to peruse the various documentation related to the matter of the art inventory, and, subject to the FIPPA process, we would release those documents. Now, let me add that—well, that is what I said last week.

**Mrs. Dacquay:** Has the Minister's department determined that the document does indeed follow the FIPPA guidelines?

**Ms. McGifford:** I do not quite understand the question as to whether the document—documents do not follow FIPPA guidelines. Documents can be requested under FIPPA, and perhaps the Member is asking me: Is this particular document a document that would be protected? I may not have my language quite absolutely correct, but I think the Member is asking me is this a document that would be a mandatory exclusion or a discretionary?

**Mrs. Dacquay:** Has the Minister confirmed her statement and consulted with her department to see if there are any documents that can be released? If so, is she prepared to table them today?

**Ms. McGifford:** As I said, the documents can be released, subject to the FIPPA process, and there are, I believe, 30 days under FIPPA to release documents.

**Mrs. Dacquay:** Has the Minister reflected on the comments made by her colleague, the Minister of Government Services (Mr. Ashton), and is she prepared to offer an apology today comparable to what the Minister of Government Services did both on his behalf and on her behalf?

**Ms. McGifford:** Mr. Chair, I have nothing to apologize, and I am not prepared to offer an apology. I did, when the Minister of Government Services spoke last day, say that I thought the *Free Press* article was regretful, but I do not have anything to apologize for. I have not done anything wrong. As I said—I cannot remember which day it was; they seem to run into one another after a while, but as I said, here I stand, I have not done anything wrong. I have nothing to apologize. So, in fact, I think it was Martin Luther that I quoted that day.

**Mrs. Dacquay:** Given that the Minister of Culture, Heritage and Tourism is the only individual identified in all four of the newspaper articles and is specifically quoted in at least two of those articles. Will she acknowledge that indeed the information came from her department?

**Ms. McGifford:** Mr. Chair, first of all, I do not agree with the information that the Member has put on the record because the article that members seems to be so exorcised about, I believe, was an article published on January 11. If my memory serves me, this was the article that got everybody quite twitterpated, and I can understand why, but I am not quoted in the article. I was not consulted with the article, in relationship to this article. It has absolutely nothing to do with me. My staff were not consulted; I have confidence in my staff, and here I stand.

Mr. Chair, I do not know specifically what the Member is referring to. I could run through the chronology, and maybe I will just take this opportunity to run through the chronology of events. I thought we had been around this block half a dozen times, and here we go again. The chronology, as I understand it, is, well, let me really back up to summer 1999 when, I believe, it must have been the former Minister of Culture, Heritage and it would have been Citizenship at that time apparently hired summer students to

undertake an inventory of art in the Legislative Building. Personally, I wonder about having summer students do such important work, but it is better than the work not having been done. I understand that the work had not been done for two or three years, so it was a very good idea that these individuals were hired to do the work. So there was some sort of base guideline of where various art works were in the summer of 1999.

\* (15:40)

Then what intervened was the election, June—pardon me, we thought it might have been earlier but it was not—September 21, 1999. On September 22, there was a memo from Don Leitch, Clerk of the Executive Council, to offices in the Legislative Building advising everybody of the procedures following the election, and residents of offices were instructed that their art was to remain in current locations. I know that members opposite made quite a fuss about the fact that Mr. Leitch actually sent the memo to deputy ministers and not to ministers, but having complete confidence in both the deputy ministers I have dealt with and hearing all my colleagues talk about their confidence in their deputy ministers, I have complete confidence that those deputy ministers passed this particular information on and that people knew that art should stay in its current location.

Now, we did talk for a while about human frailty, and I think somebody pointed out that some members do not read memos, but the former First Minister was here talking to me about ministerial accountability, and I thought I had shown extreme ministerial responsibility in hearing that there may possibly be a problem in taking action. That was ministerial responsibility. My point here is, on the one hand, I am expected to be replete and gushing with ministerial responsibility, but members apparently are not expected to read a memo or to take instruction from their deputy minister or to listen to their deputy minister. I see a little bit of an inconsistency there.

Anyway, Mr. Leitch sent out this memo on September 21. Then I hear during the period of October to November, 1999, following the election, there seemed to be a sense that

individuals were moving out of their offices into new locations. Government Services were not necessarily informed of the fact that individuals were, in some cases, removing the art.

I just want to address, because people have addressed their individual cases, I formerly had an office in the suite of offices 132, and when I was an opposition member I had two pieces of art in my office. One was a quilt and one of them was a Chinese vase. What happened in this case is we were instructed to take everything out of those offices because of painting. So those two things came with me to my location because there was not a location to keep them in. Since there was not a location, we immediately, as soon as we found out, notified the Government Services that those two pieces of art were moved out of the office because I did not have an office. I had to move everything out of that office.

This makes the point once again that I have made time and time again in this committee. That is I have always spoken about mislocated pieces of art. I never talked about members stealing art or hiding art with a determination to come back and pick it up later. Those were never my words, not in this committee. Certainly there is nothing in the media that suggests this. Again, as I have said time and time again, I am not responsible for what Mr. Nairne might have written in the paper on January 11, 2000.

Anyway, we had the inventory in the summer, 1999. Then here we were in October, November. People were moving about the building, et cetera. Staff felt we needed to have some sense of where the pieces of art were. I think I have said time and time again in this committee that I was very concerned about the art collection because, when I was in opposition, people in the community expressed concerns to me about the art collection, particularly about conservation of the art collection. So I felt that an inventory was a good idea, and so staff prepared an inventory.

There was a staffperson from Government Services and a staffperson from Culture, Heritage and Tourism. From December 3 until December 15, these persons conducted the initial inventory of art in the Legislative Building. This activity was observed by people in the Legis-

lative Building and by the media, who were in the building at the same time, of course.

The media apparently expressed curiosity. They were told that there was an inventory taking place. The next thing we hear is, on January 3, 2000, this story in the *Free Press* regarding "mislocated works of art." The director of the Arts Branch was contacted, I believe, the next day. He indicated, I believe, in an article on the very next day—I do not have all the press pieces before me—that we felt that we would be able to locate all these works of art, that they were mislocated works of art. Indeed we have located virtually all those works of art.

I think it was on February 1, I was informed that there were 10 works of art that had not been accounted for. Gradually the numbers came down. Then, as I think we have said several times—I cannot seem to find the particular document—by the time we showed up in this committee, the number of works of art—oh, here it is—had dissipated to four missing pieces. I think I have read those pieces. It was perhaps on my very first appearance before this committee, as a member of this committee, which would have been 10 days ago or something like that, that I spoke about the mislocated art.

\* (15:50)

I think I acknowledged that day that the former First Minister, now the leader of the Opposition, had at one point requested an update on the misplaced art and that I had written back to him. Then he had written again, and my department was preparing a communication for him, but since he was before this committee and is no doubt reading Hansard, I would think that that matter is firmly in hand.

So there are four works of art that are to be accounted for. One is a ceramic sculpture by Jordan Van Sewell, *Western Hour Continues*, last located in Room 166 of the Legislative Building, which was the office of the former Minister of Education. Now, I do not know what happened to this work of art. Staff think there is a possibility that it might be broken because it was a ceramic piece, and ceramic pieces are subject to breakage. I know I have told the committee time and time again that I had a glass

piece in my office by Judy Jennings a very well-known glass artist, and it was accidentally knocked over in my office and to my consternation was broken. But, very fortunately, we were able to replace that piece.

Also, a second piece was found. A ceramic wall piece by Jordan Van Sewell, *Still Life with Plums*, was last inventoried in Room 170, Legislative Building. It is the office of the former Minister of Urban Affairs, and when this committee met and I read out this name, *Still Life with Plums*, up pops the former Minister of Urban Affairs and says he thinks he has it. He did have it and my explanation—and this is, of course, a guess—is that perhaps what happened was that this particular individual went from one office to another, did not read Mr. Leitch's memo, or did not get the information from Mr. Leitch.

I certainly do not think, and let me put it on the record, I do not have anything to swear on but I swear nonetheless, that I do not think that member, the former Minister of Urban Affairs, stole the piece. I think he probably did not see anything wrong with putting it in a box and carting it off with him, if that is what he did. But anyway he found the piece, *Still Life with Plums*, and he informed us, and now we are down to three pieces.

I have already explained that of the four pieces we are now down to three. One could have been broken, the ceramic sculpture by Jordan van Sewell. There is also one wall carving by Keith Morriseau called *Shield of Peace*. It was previously located in Room 170, Legislative Building, the office of the former Minister of Urban Affairs. This piece we have not been able to track down, and once again I do not believe that the former Minister of Urban Affairs has smuggled it away in the dead of night or anything like that. I simply believe that this piece has either been misplaced and will still show up or, the term I have used time and time again, is mislocated. So that is that.

Then the last piece of this four is a vase by Kathy Koop, a beige vase. It is apparently 15 years old. It could have been broken. We have not been able to track down this particular piece of art, but I am told that we have a duplicate of it

which is good news, and I am also told that it was last inventoried in Room 226, the Legislative Building, and I at one time had a complete list of who had been in there since about 1986 and on.

So, you know, Mr. Chair, I have been through the chronology. I have explained my role as that of a minister who was concerned with maintaining the inventory, with making sure that we knew where pieces were, and my reason for calling an inventory was motivated by ministerial responsibility. Despite the scurrilous remarks that have been put on the record, it was motivated by ministerial responsibility, and I am pleased that we did the inventory because we now have a good list of the works of art and where the works are located, and we have also taken a couple of very proactive steps. One of them is to appoint a guardian for works of art, pardon me a custodian, in an office, and the other one is we are in the process of preparing materials which will alert individuals to the care of art in their offices.

So I think the outcome of this inventory is very positive in all aspects. It is unfortunate that members opposite felt that their names and reputations had been impugned, and that is regretful, but it was nothing to do with me, and I cannot apologize for something that I am not responsible for.

With those remarks, Mr. Chair, I will conclude.

**Mr. Tweed:** Mr. Chair, I do not know what the expression is. I think the Minister—it is very regrettable with her attitude that she has shown throughout the entire Estimates process. Her arrogance is only superseded by her sarcasm when she is talking about former members of government and, in fact, I think even in her references talking about her own colleagues.

It is interesting that the Minister talks about a letter that was sent on September 21 by Don Leitch to all deputy ministers in the government departments. She finds it hard to believe that in a process where people are packing and some people are having it done for them and offices are being changed and moved around, that memos do not get read or they get misplaced.

Yet here is a minister who has openly admitted today in questions that two of her staff were being used by another part of government, and she had no idea what they were doing or who they were or what they were even doing. It is absolutely amazing that a minister would put that on the record and then admit that she knew nothing about what was going on in her department, as she did today.

It is quite interesting also to note, Mr. Chair, that Government Services—and I use my office as an example—packed my office and included a picture that was hanging on the wall. Obviously, they did not read the letter either, or they were not advised, because it was not the individuals who were making the moves. In a lot of cases, it was the Government Services people, of whom she confirms were part of drafting the original letter and sending it out to people so that they could be aware of it. I do not think the Minister has probably grasped her responsibility when it comes to ministerial responsibility.

We get to the leaked memos that have come out in the newspaper, and it is her department that is responsible for that, of which she is the Minister. As the Minister, she takes the ultimate responsibility for decisions and for actions within her department. She refuses to accept that, and I think that is unfortunate. I think that will reflect very disparagingly on her record of government as a minister of the Crown and as a minister responsible to the people of the province of Manitoba.

We have recently seen introduction of legislation into the House where the Premier (Mr. Doer) talks about election campaigns, and he says it time and time again: Perception of the public is more important than the realities. By her department releasing that document and disparaging every member of the Legislature is absolutely shameful. For her not to accept that responsibility as a minister of the Crown is even more shameful. For that I do say shame on you, because you have responsibilities and you are neglecting them, and you are refusing to accept those responsibilities.

The Minister of Government Services (Mr. Ashton) shared his responsibilities, and I accept his apologies the other day, although he even

said, before he started his remarks, he did not even know he was responsible for that before the memo was released. So, obviously, the memo came from the Minister of Culture's department. No one else, no one else's department is responsible but the Minister of Culture, and today she continues in her arrogance and in her sarcasm to refuse to accept the responsibilities that have been placed upon her. I think that is despicable.

She lectures members on this side of the House about their behaviour, and then she behaves in an almost twice as bad manner with no respect and no consideration for any of the members, and again I would include her own members of her own party at that particular time. She taints us all, and I am ashamed to be associated with the Minister with those kinds of remarks. It is something that I think we will continue to move and ask for. We will be requesting it through FIPPA to get the documents, and eventually the truth will prevail, Madam Minister, and you will be held accountable and you will be held responsible. I think, for you to stand here today and lecture any members of any side of the Government or Opposition, you do not have the respect of this side to do that.

With that, Mr. Chair, I will conclude my remarks, and we are certainly displeased to pass the Minister's Salary.

**Mr. Chairperson:** Line 14.1 Administration and Finance (a) Minister's Salary \$27,300—pass.

Resolution 14.1: RESOLVED that there be granted to Her Majesty a sum not exceeding \$2,649,000 for Culture, Heritage and Tourism, Administration and Finance \$2,649,000 for the fiscal year ending the 31st day of March, 2001.

***Resolution agreed to.***

This completes the Estimates of the Department of Culture, Heritage and Tourism.

The next set of Estimates that will be considered by this section of the Committee of Supply are the Estimates of the Department of Consumer and Corporate Affairs. Shall we briefly recess to allow the Minister and the critics the opportunity to prepare for the com-

mencement of the next set of Estimates?  
*[Agreed]* We will have a recess for five minutes.  
 Thank you.

*The Committee recessed at 4:00 p.m.*

*The Committee resumed at 4:10 p.m.*

## CONSUMER AND CORPORATE AFFAIRS

\* (16:10)

**Mr. Chairperson (Harry Schellenberg):**

Would the Committee of Supply please come to order. This section of the Committee of Supply will be considering the Estimates of the Department of Consumer and Corporate Affairs.

Does the Honourable Minister of Consumer and Corporate Affairs have an opening statement?

**Hon. Ron Lemieux (Minister of Consumer and Corporate Affairs):** Yes, Mr. Chair, I do. It is my privilege to place the 2000-2001 Estimates for Consumer and Corporate Affairs before this committee for review.

The Department's vision is a fair, efficient and informed marketplace for consumers and businesses. Our mission is to foster business and consumer confidence in the marketplace and to administer a regulatory framework that contributes to a competitive Manitoba economy.

Our goals are to contribute to a dynamic Manitoba economy by creating certainty in the marketplace through the administration of a legal framework within which consumers, business, and nonprofit organizations operate.

Just on that point, I would like to comment with regard to the dynamic Manitoba economy. The previous administration, certainly I do not mind giving credit where credit is due, in some cases were able to be successful with regard to the economy in Manitoba within the '90s. I do not mind giving some credit to the previous administration for that very difficult time. Certainly it should be pointed that with regard to certain areas they were very successful. They

should be commended and congratulated on that. I will not go too far, though, Mr. Chair.

To help consumers also and businesses resolve their dispute; to promote and enhance consumer and business knowledge and skills; to maintain registries of information for the protection of individual and property rights; to provide quality service; use fiscal resources responsibly and collect fee and tax revenue; to anticipate, identify, monitor marketplace issues, recommend appropriate action, and to determine prices for services from utilities.

I would like to highlight some of our accomplishments and our plans for the future for the Department.

I would like to begin first of all by looking at motor fuel prices. I will start with the important topic of motor fuel prices and what my department is doing in this area.

Our government is concerned about motor fuel prices. Last winter I met with all the oil companies to express several concerns and to discuss rising prices for gasoline and other fuels. Now, included within those companies were Shell, Domo, and certainly others. There were a lot of other organizations that we certainly met with and spoke to to discuss those issues.

Issues regarding motor fuels are not unique to Manitoba. They are a national issue. I think most Manitobans would recognize that. I believe all Canadians do. Although the current high prices will eventually drop, it will not be long before some other event once again causes fuel prices to increase and public confidence in the oil industry to decrease.

Last February I wrote to the federal government and other provinces to suggest that we take joint action. I proposed the formation of a specialized national agency to address motor fuel issues. The proposed agency would operate on an ongoing basis. It would have the expertise to track fuel prices and related data, investigate reasons for fuel price changes, and identify any action needed at the federal and provincial levels. The agency would be staffed by federal

public servants and would report to a steering committee representing the federal government and each province and territory.

In responding to my proposal, the federal government and several provinces indicated an interest in working together. This was certainly not only welcome news to me but also to my staff within our department, because we understand what a tremendous burden and an issue that gasoline prices not only place on a family, but also the issue as a whole is very disconcerting to most people to see the price of gasoline going up at the pump. They see it every day just driving down any street in Winnipeg or in their communities, whether they would be rural or northern communities in Manitoba.

As I mentioned, the proposed agency would operate on an ongoing basis. It would have the expertise to track fuel prices and related data, investigate reasons for fuel price changes and identify any action needed at the federal and provincial levels. The agency would be staffed by federal public servants and would report to a steering committee representing the federal government and each province and territory.

In responding to my proposal, the federal government and several provinces indicated an interest in working together. Whether this will be through a national agency or some other form of action is something we will be discussing further. The federal government announced several weeks ago that it would be conducting a study of the gasoline industry through the Conference Board of Canada. The study will consist of two main stages. The first stage will be an analysis of the industry including various forms of regulation attempted in Canada and the United States. The second stage will be the holding of symposia at five cities across Canada. The purpose of the symposia would be to review the results of the first stage and attempt to obtain stakeholder agreement on how various aspects of the industry affect fuel prices.

Now, as I mentioned in my preface to my opening comments, I do not mind giving credit where credit is due. On the other hand I would like to receive also when it is due. This is an issue where I really pushed with the federal government. We felt that this body was

imperative to be put in place that would have a perspective from across Canada and that all Canadians would have input into fuel prices and how fuel prices come about.

When I say credit, I do not mean credit personally, but credit for my department. My department worked very hard in trying to address this issue, which we know is a very, very difficult issue for any government to face. I would really congratulate my department for doing an outstanding job on this and working really hand in hand with the federal government to ensure that the Conference Board of Canada would take this upon themselves to look at this important issue. I know that all members in the House certainly recognize the importance of this issue, and I am sure whether it would be Domo Gas or Petro Canada would really see this as an important issue to be looked into.

When the Conference Board study was announced, there was widespread speculation that fuel prices would not quickly drop even with OPEC's increased production of crude oil. This concern has been borne out with the recent price increases. I wrote to the federal government and suggested that the Conference Board be asked to monitor crude oil and motive fuel prices, investigate any fuel price changes or lack thereof that were inconsistent with changes in crude oil costs. I understand that the federal government has asked the Conference Board to consider this suggestion.

In addition to the monitoring suggestion, I also pointed out to the federal government that the Conference Board study was not intending to include in their analysis farm fuels and fuel prices in northern centres. I noted the hardship higher farm fuel prices would create for farmers and the extent to which northern fuel prices are higher than those in southern parts of Canada. I have been informed that farm fuels and northern prices will now be included in the study.

Once again, I believe my department should be congratulated on this. I think we persevered and we pushed extremely hard to ensure that the Conference Board would be looking at this area because, as we as Manitobans know, whether we live in Steinbach, Lorette, Thompson, Churchill, or Russell, Manitoba, we understand that taking

a look at the difference in pricing and the differences consumers have to face, whether they be located in the southern part or the northern part, really is an important issue. It was imperative that we brought that to not only the conference board's attention via the Minister, but I think to all of us that sit here today. I think it is important to note that.

One other suggestion I made to the federal government regarding the Conference Board study is the inclusion of Winnipeg as a symposium site. Given Winnipeg's role in the transportation sector, Winnipeg is a natural choice for a symposium. We are continuing to pressure the federal government on this item. I would like to point out also the former premier of the Province certainly has pointed out in the House on numerous occasions as a rookie MLA and Cabinet minister how important Winnipeg is. Geographically, we are centred in the middle of Canada and also, I believe, very, very close to being in the middle of North America. We have a great role to play with regard to the advantages we have being geographically located as we are.

\* (16:20)

As I mentioned, we are continually trying to pressure the federal government on this item. The federal government has already picked their location as to where they want to hold these symposiums, but we are certainly not falling back with regard to our advances that we have made so far with regard to locations and so on. We just feel that Winnipeg would be a natural. We are hoping to be able to push forward all the advantages of that to the federal minister.

Along with making these suggestions, I identified several stakeholders that would be interested in the study and now may have useful input into this. These are some of the steps we have taken in regard to motor fuels. I am sure that all members, certainly in the House as I mentioned, realize that this is a very important issue, and certainly we do as well.

I would like to move on to a couple of other areas, Mr. Chair, that we certainly view as being very important, and certainly, as part of my department, I also view it as being very important. This next one is certainly no less or no

more important. It was something that I felt that needed to be commented on.

First Nations Casino Project. I would now like to move on to the topic of this particular initiative, and I think it is very, very important to make quite clear what we are doing and why we are doing it. As you are aware, our government has committed to allowing the development of up to five First Nations casinos in the province. An independent selection committee has made recommendations for five proposals to be granted the opportunity to continue along with the process of seeking to establish a casino. Funding for the operation of the selection committee after April 1, 2000, is included in my department's Estimates. The costs include the operational costs of the independent office, which was located at 1508-155 Carlton Street, Winnipeg, the fees for each of the committee members, consulting fees and other costs related to the committee's activities.

There were a number of government staff seconded to assist this committee of Mr. Nadeau and Mr. Freedman. Their services were provided to the Committee without charge. This is an important economic development initiative, and the independent selection committee ensured that the process was both fair and impartial. Furthermore, the Committee recommended those proposals which best demonstrated the project's stated objectives: economic development and benefits for First Nations people.

Just on this point, Mr. Chair, I would like to just comment that, with regard to First Nations people, we are looking at First Nations people in Manitoba who have an average income of approximately \$7,000 per household, I understand. Also, you are taking a look at an unemployment rate that can vary anywhere from 50 percent to 75 percent on a First Nations reserve. First Nations people have illness rates that are far greater than other Manitobans.

In a day and age where we take for granted sewer and water, we take for granted the comforts of our home, and earlier—I do not mind sharing this, and I hope the critic for Consumer and Corporate Affairs does not mind me sharing this—we were talking about our families. We talked about how we are both family people.



how we want to be close to our families, and how we would like to find ways to be close to our families. The suggestion came up with regard to I asked the Member whether or not he was going to do anything on the weekend. Certainly we stated that it would be nice to go to the lake or something like that or to a cottage, and I agreed.

It made me think after that that we are very fortunate. This is not to say that we have not worked extremely hard for what we have done. I know for a fact that the Member for Steinbach (Mr. Jim Penner) has worked extremely hard in his career and deserves full credit for that. I as well believe that I have worked extremely hard in my lifetime in my career as a teacher and to obtain an education and so on, and thereby you accrue the benefits from that.

But when we talk about First Nations people, I have only had the opportunity to be on reserve just a number of times, a handful of times, and it really is extremely bothersome to me personally, and I believe it would be to other people, to see First Nations people, the housing that they have had to endure and not even be able to own that housing, Indian Affairs or the federal government owns that housing and the deplorable conditions in which they live.

First Nations people, I believe, just want a chance, they want an opportunity. I believe what we are doing here, and history will show, whether it be 20, 30, 40, 50 years down the road, that we are making an attempt just to give First Nations people a chance to do something to provide employment for their young people, to provide economic benefits for their people. I think that this is something that, as I mentioned, history will show that our government is attempting to do that in the fairest and most equitable way that we can.

The acceptance of the selection committee's report, just to continue, will allow the recommended proponents to continue along this process. The process is in different phases. We went through the first phase of the Mr. Nadeau and Mr. Freedman report. They recommended up to five First Nations casinos. This is a vital step towards hundreds of jobs and economic development, as I have stated before, for First

Nations people. I just want to mention just quickly that in Saskatchewan the casinos that they have there are employing, I believe, approximately 1800 people. Of those the majority of the people are Aboriginal people that work in those casinos, and they are showing that there are economic spin-offs and benefits also to surrounding communities where those casinos are near.

On June 1, I announced the establishment of a First Nations gaming implementation committee that would act as an independent body charged with ensuring that the recommended projects proceed in a manner consistent with the conditions established and outlined by the First Nations Selection Committee. This will include ensuring that the casino project provides sustainable economic benefits and opportunities to First Nations people of Manitoba.

I know people have heard this repeated over and over again, but I believe it does bear repeating, that casino projects are developed and operated in all respects in the manner proposed or agreed upon in negotiation, that the operation of casinos complies fully with all aspects of the applicable law and regulations and that all conditions for success are met, including reserve conversion where applicable and addressing local concerns.

The implementation committee will examine issues related to compliance, design, human resource, contractual obligation and the timetable of the project. The implementation committee will examine issues related to compliance, as I mentioned, design and so on. As recommended in the selection committee report, all proponents will enter into comprehensive agreements with the Province that will outline the obligations of the proponents. In addition, after fulfilling the conditions for success, all proponents will be required to enter into an agreement with the Manitoba Lotteries Corporation for the operation of the casinos.

The report states that the recommendation by the selection committee for the establishment of five casinos does not necessarily mean that each of the five proposals will become a reality. I believe in the House we have repeatedly stated that, that the ball is in the court of the First

Nations people. Now they have an opportunity, now they have to show that their proposals are viable. They have to meet all the caveats or the conditions for success that have been laid out.

The report goes on to state that, based on the assessment and the evaluation process, the selection committee is of the opinion that each of the selected proposals contains a sound business plan for a destination gaming facility that properly developed and operated should meet the project's objectives.

Mr. Chair, it is important to note that this is only the first step in a vigorous process for the successful proponents. It is evident that there is local opposition to casino location in Headingley. In this case, and indeed in each of the proponents, further work will be required to meet all the conditions for success detailed in the request for proposal.

During its review the selection committee enlisted the assistance and expertise of a number of public and private consultants to assess each of the proposals with regard to components such as market feasibility, financial strength, strategic and operational business plans, corporate development experience and community support for the proposals. All of these factors were considered to be essential for determining the long-term viability and the ability of the proposals to provide sustainable economic benefits and opportunities to First Nations people of Manitoba.

I think we all would agree, with regard to First Nations casinos, that we would like them to certainly be viable. There is no sense in having a casino up and running should it not be able to meet all these conditions and certainly have it falter after a short period of time. That is why I believe it is imperative certainly that the implementation committee do its job and certainly do its job well to ensure that the long-term viability and the ability of the proposals to provide sustainable economic development and so on certainly are accrued by First Nations people.

\* (16:30)

I would like to move on now, Mr. Chair, just to a couple of other areas within my department.

I know that there will be other opportunities when reviewing my Estimates to certainly go further into the different branches and so on.

I would like to touch on the Consumers' Bureau, Mr. Chair. I am very pleased that Bill 31, The Electronic Commerce and Information, Consumer Protection Amendment and Manitoba Evidence Amendment Act, recently tabled in the Legislature, includes protection in certain circumstances for Manitoba consumers who purchase goods or services over the Internet.

I had the occasion, just shortly, I went through with my deputy minister—my mother-in-law just received a brochure in the mail. It is one of these, it was also a duplicate from the Internet that had free trips included and so on. I believe there are a lot of, for lack of a better word, scams that are going on. I believe people using electronic commerce or information on the Internet need protection and consumer protection with regard to those areas. Certainly people who purchase goods and services over the Internet need that as well.

The amendments are the first of their kind in consumer protection legislation in Canada. I mentioned to the Member and the critic for Consumer and Corporate Affairs from Steinbach that I believe in giving credit where credit is due, and I mentioned that the—

**Mr. Chairperson:** Order, please. Just keep your conversation down a bit. Thank you.

**Mr. Lemieux:** I would like to just continue. Thank you, Mr. Chair. As I mentioned, the previous government should be congratulated for a difficult time that they had during the 1990s. The economy in Manitoba is going relatively well. I believe that they should be given credit for that where credit is due.

But, on that same point, I would like to say that the amendments, which were the first of their kind in consumer protection with regard to electronic commerce, I believe that my department and the Government of Manitoba should also receive credit for that, because it is the first of its kind. We believe this is great consumer legislation.

The amendments which I refer to will require Internet sellers to disclose certain information, provide Manitoba consumers with cancellation rights in specific situations, and obligate credit card issuers to credit back consumer accounts under particular conditions, which is tremendous for consumers.

Manitoba Consumers' Bureau staff are working with federal, provincial and territorial governments as well as stakeholders for farm consumer organizations and industry to provide protection for consumers participating in electronic commerce. This includes the development of standards for on-line merchant certification and the production of consumer awareness materials in both electronic and print media.

I am pleased to note that on April 1, 2000, the Consumers' Bureau activated the Consumer Affairs Tracking System, CATS, for lack of a better word or certainly CATS, as we call it, for dispute resolution and investigation files. This replaces a manual system with an automated complaint tracking system. CATS is expected to do the following: contribute to improved communications with consumers and business in resolving complaints and conducting investigations; provide timely data on marketplace issues and trends; and minimize the impact on Manitobans by the early identification of scams. It is expected that CATS licensing facilities will be implemented this year and soon extended to another branch of the Department.

I would like to move on to Residential Tenancies Branch just quickly. Since becoming Minister of Consumer and Corporate Affairs, I have heard from both landlord and tenant groups about the need to have the Residential Tenancies Branch and commission orders more accessible through the public order registry. This would enable a landlord or tenant to check out a landlord, tenant or rental complex by searching information on our database to see if there have been orders against a prospective landlord, tenant or rental complex in the past. Once again, I believe this is good consumer legislation itself, but good, I believe, for also landlords and tenants, because those who have apartments or houses that they are renting certainly want to know the tenants that they should be looking out for, have a bad track record, and vice versa.

Since I am keenly interested in improving client service, I am looking forward to implementing this new service. My staff at the Residential Tenancies Branch have begun to work to finalize this project. I am hoping to make an announcement soon. Under the initiative, access would be available by annual subscription on an application or on a walk-in basis through a public access workstation at the Residential Tenancies Branch. Electronic access to orders through the Internet will be quicker and more convenient for landlords and tenants as well. In keeping with this commitment to improve service, the Residential Tenancies Branch is also looking at a major project involving the re-engineering of branch business processes and technologies.

I am very excited by the potential of this initiative. It is my hope that we will be able to further develop and begin implementation of this project in this fiscal year. I am also looking forward to reactivating the landlord and tenant advisory committee. This committee is **made up** of equal representatives of **landlords and tenants**. It gives advice on the administration of **The Residential Tenancies Act**. It is **important that** the Committee has a balance of **landlord and tenant** representatives so that **the interests of** each group can be fairly addressed.

As Minister of Consumer and Corporate Affairs, I want to hear from the **people who are** active in the industry and will be looking to them for residential tenancy trends as well as **practical** advice on how to address community issues.

I am very pleased to be able to report to you that the Residential Tenancies Branch has made real headway in reducing its backlogs. Since the beginning of March, orders of possession and claims are being written and sent out within branch targets, which is two days for orders of possession and ten working days for claims. Rent regulation applications are also being processed within the target of 90 days. We have also decreased the backlog substantially in the rent compliance area. The backlog of 450 files that will be faced going into 1999 has been reduced to just 50 files.

New life-lease legislation was proclaimed on December 1, 1999. Life leases are a unique

form of rental housing. In addition to paying rent, life-lease tenants pay entrance fees that are used to pay for the construction cost.

Now, just with regard to life lease, yes, it was proclaimed certainly in December of 1999, but the previous administration, the previous government, I believe, recognized the value of having life lease and how it was good for those consumers that were looking at going into life leases and so on. I think we all recognize the importance of that, and the previous administration should be congratulated on that. It is a very good piece of legislation.

When their tenancies end, tenants expect to recover their entrance fees through a refund from the landlord or by selling the right to occupy their unit to a new tenant.

The new legislation protects tenants of life-lease rental housing in Manitoba in three ways: first, landlords are required to provide information to enable tenants to make informed decisions about going into or remaining in a life lease; secondly, landlords must take steps to protect funds provided by tenants; and finally, the amendments to The Residential Tenancies Act strengthen the protection provided by that act to life-lease tenants.

As part of our implementation strategy, the branch held several information sessions for landlords and tenants and developed a series of fact sheets. The branch also provided information to various organizations to include in publications targeted to seniors. Landlords and tenants are also increasingly taking advantage of our 24-hour access to information. In 1999-2000, there were approximately 79 000 hits to the Residential Tenancies Branch's Web site and over 2600 calls to the branch's Talking Yellow Pages. Branch staff and volunteers also reached over 1100 tenants and 300 landlords with community-based presentations.

I would like to just move on, if I might, just to the Financial Institutions Regulations program. I would like to now speak a little bit more about the program. The Insurance Branch and the Trust, Cooperatives and Credit Union Regulation Branch are now combined into a single Financial Institutions Regulations pro-

gram. This was done to provide a consistent approach to provincial and national issues affecting the Manitoba financial services industry, to work with the Manitoba financial services industry on national initiatives to ensure the benefits to Manitoba's industry are maximized, to create a more consistent regulatory environment and to ensure that consumers of financial services are protected through the most effective use of resources available for the regulation of the Manitoba financial services industry.

A single Financial Institutions Regulations program will better keep abreast of developments in the financial services sector and identify and recommend legislative and regulatory issues responses to ensure that an appropriate regulatory framework was maintained.

I would like to just talk about the Companies Office for a short while if I might. I am also pleased to report that the Companies Office forms have been posted on the Office's Internet home page for easy downloading. By spring of 2001, the Companies Office anticipates that Internet access to its data will be available, which will allow for more convenient Internet searches of company information, Internet ordering of certificates from the office, Internet searching of names for new companies and so on.

\* (16:40)

The Property Registry is entering into its fourth year as a special operating agency. The Property Registry continues to be involved in the Better Systems Initiative, better known as BSI. Following last year's completion of the conversion of all land titles offices to the electronic land titles system, the Property Registry introduced access to the survey index data base, through the Internet, to clients of the Registry. Any person with Internet capability can access the new electronic survey index and search for survey plans in either official language.

Development of a new personal property registry system has taken place under the Better Systems Initiative. Proclamation of the new Personal Property Security Act depends on the release of redesigned, automated registry func-

tions. Implementation is expected this fall. The proclamation of The Personal Property Security Act and the implementation of the redeveloped registry will introduce significant changes to the existing registry system, bringing it into conformity with other provincial legislation across Canada.

Mr. Chair, the Property Registry has completed its first full year of a multiyear record preservation project in the Land Titles Office. Microfilming of current and registered documents has taken place. Over 1 700 000 titles and 180 000 documents have been microfilmed. Many of these documents, certainly, not only with age are they deteriorating, but I think it is very, very important because, for anyone who feels that our history and documents with regard to our history are very important, this is a very, very important initiative. The agency will continue with this program that will allow easier access to records of the Land Titles Office and to ensure the long-term integrity of the records.

Training has been identified as one of the most important requirements of the Property Registry. To ensure qualified staff is available to assist the public and to replace retiring employees, the agency has allocated additional resources for training in the Land Titles Office. An active training program will be established to address the long-term requirements of staff in the agency.

I know, at the Land Titles Office, I had the pleasure the other day—There were, I believe it is, four individuals who had just finished serving 25 years, and some of them had served 25 years in the Land Titles Office. I mean, this is tremendous to have civil servants dedicated to one area of government, and not only do they enjoy working in that area, they certainly are not only tremendously qualified, but they give us a great deal of expertise.

As a government, we can feel confident and the public of Manitoba can feel confident in the work that they do just by the fact that they were there that many years, 25 years for the people. There were four of them, and there were others who have worked a lot longer than that. I think Manitobans can feel and rest assured that the Land Titles Office is certainly in good hands.

I would now like to highlight some new initiatives of the Manitoba Securities Commission. The Commission is continuing to develop an education and information program to provide information both to the investing public and to registrants. Numerous presentations have been made and educational materials prepared, including those on our Web site, and I must say that there was an article in the *Free Press* not long ago, Mr. Chair, that commented about this particular Web site and how advantageous it was. People really appreciated the information they were able to get on the Securities Commission's Web site.

The Commission has made presentations to several security firms providing an overview of the Commission, a review of the audit program and the complaint, investigation and hearing process. The Commission has made presentations to the public on recognizing and avoiding investment scams. I am pleased to report that these presentations have all been well received. An audit program has been developed and is ongoing. It has proven successful primarily in reminding the Commission's registrants of the proper procedures ensuring that the firms dealing with securities in Manitoba are operating within the prescribed parameters is one of the best preventative aspects of investor protection.

The Commission has assumed regulatory oversight of the Winnipeg Commodity Exchange. To accommodate this, a new computerized registration system is being developed that will be available for testing by September 1, 2000. All individuals and firms dealing in commodities at the Exchange have to be registered with the Commission by the end of November 2000.

The Commission is also working with the Winnipeg Stock Exchange, CDNX and the Canadian regulators in order to facilitate the merger of the Winnipeg Stock Exchange and CDNX and to set up an oversight program for this national exchange, not only in Manitoba but also across the country. I know members opposite, certainly the critic for Consumer and Corporate Affairs, I am sure he would agree that this is a very important initiative, and I really appreciate not only his co-operation but the

Opposition's co-operation with regard to this legislation.

I would like to conclude by saying, I think, I can tell you from my remarks that Manitoba Consumers and Corporate Affairs provides many important programs and services to Manitobans. I am very proud of our accomplishments and look forward with excitement and confidence as we continue to work to contribute to the operation of a fair, efficient and informed marketplace for Manitoba consumers and business. Certainly, I would like to just certainly conclude on that. I know we will have a great deal of opportunity to look into the Department of Consumer and Corporate Affairs and take a look at all the good things that Manitobans are experiencing as a result of this department. Thank you, Mr. Chair.

**Mr. Chairperson:** We thank the Minister of Consumer and Corporate Affairs for those comments. Does the Official Opposition critic, the Honourable Member for Steinbach, have any opening comments?

**Mr. Jim Penner (Steinbach):** Mr. Chairperson, I want to thank the Minister for those remarks. I recognize that this is somewhat unique situation, although not unprecedented, where we have two new MLAs, one is a Minister and one is a critic going through this process for the first time. One thing we also have in common is that neither one of us can be accused of stealing art, because we were not here. I imagine that we will both learn a great deal about the Department of Consumer and Corporate Affairs over the next many hours. I do really look forward to this process.

I would like to first of all congratulate the Minister, since this is my first formal opportunity to do so, on his appointment to Cabinet. He is both cordial in manner and pleasant in demeanour, and I enjoy conversations with him. I would advise him that there will be some challenging days ahead, but indeed I think it is known that he has already faced some challenging days in his brief time as Minister, so that advice would come a bit late.

Indeed, I had the opportunity to meet the Minister before we both entered the political arena. In my former life as a grocer, I had the

pleasure of dealing with the young salesperson who would later go on to become the Minister of Consumer and Corporate Affairs.

**An Honourable Member:** Oh, you worked for him.

**Mr. Jim Penner:** No, he worked with me. It is an old saying in business that it is a small world, and that apparently applies to the political arena as well. I was just thinking about that while the Minister was speaking. We both worked for consumers and corporations, and we also both became teachers. I did it first, and you did it second. I became a teacher and taught in my practice teaching Grade 11 and Grade 12 History and English. Business overran me at some point.

This is really the first chance I have had to sit across from the Minister and discuss his department in any great length. I expect that during the process, we might find ourselves sometimes at a difference of opinion, however, I would say that while we might from time to time differ on our approach to issues relating to our province, I do appreciate the Minister and the work he must accomplish.

I realize, also, that these are difficult days for him as he navigates through the treacherous waters of gambling in our province. While I am sure the Minister will disagree with me in public, I sense sometimes that even he is not entirely comfortable with the direction his government is taking on this issue. Sometimes I feel that the word "independent" followed by "selection committee" is a bit of an oxymoron because the selection committee is not really independent. On the other hand, we wish it to be, and I know we all wish it to be.

I also very much agree with the Minister's concern that we do more for Aboriginals. I am new to politics and I cannot help but just totally agree with this. I sometimes wonder if we would be helping people by increasing gaming. From the information we have from other provinces, this may not be a good move if we have reached a saturation point. There are also possibilities that the locations are away from tourism.

There are problems inherent with casinos, and the letters from the churches' conference,

United Church and such like, indicate that maybe this is not helping the Aborigines. But we really do want to help them. I totally agree on the helping issue. I can certainly understand how we might be. Because we have neighbouring constituencies, I had many opportunities to speak with people he represents. I can tell you clearly that there is not a great deal of support for the way the policy of native casinos is being imposed. My only hope is that his boss, the Premier, is not setting him up for the political fall guy for problems that may arise down the road.

\*(16:50)

The Department of Consumer and Corporate Affairs is somewhat comfortable for me, given my years in business. While it is recognized as a junior ministry, I do not know why they call it a junior ministry, because when you look at the number of statutes administered by Consumer and Corporate Affairs, it is quite substantial, 42. That is hardly a junior ministry. While it is called a junior ministry, I think that the functions it performs are very important to many Manitobans. I look forward to exploring it in greater detail as we work through the Estimates and in working with the new minister.

Some of the legislation that was produced came out of the past administration. Some of the legislation that is being proposed is certainly, I feel, going in the right direction. I am hoping that through Estimates I will become more knowledgeable and be able to share an understanding of what is all happening. With that, Mr. Chairperson, I am ready to proceed.

**Mr. Chairperson:** We thank the critic from the Official Opposition for his remarks.

Under Manitoba practice, debate of the 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 will invite the Minister's staff to join us at the table. We ask that the Minister introduce his staff present.

**Mr. Jim Penner:** Could I request that we review the Estimates in whole and in a global fashion instead of line by line?

**Mr. Lemieux:** I do not necessarily have a problem with that at all, but I would ask, though, that consideration be given to staff. Being a new minister, I am not sure how it works. I am sure you have an appreciation that if you have eight staff or ten staff, I do not want them just to be sitting here kind of waiting for their area to be covered. I am just wondering if there is a way to work through that. I do not mind using a global approach and certainly trying to co-operate in any way that we can. I would really like an indication prior, if we could, to what area we are going to be covering so we could have staff here, which I think would be in the best interest of all of us.

**Mr. Darren Praznik (Lac du Bonnet):** I appreciate the Minister's comment. I remember sitting in the chair having the same proposal made and making the same comments. Yes, it is appropriate. I think on our side we recognize that we certainly cannot expect to be all over the map and staff. We would like to be able to make sure we get efficient use of staff.

I should just put on the record that the Member for Elmwood (Mr. Maloway) had mentioned to me he had a number of questions. I think we are certainly prepared, him and our critic, to ensure we accommodate that within the time. We recognize that there are MLAs on the government side who have, we hope, tough questions for the Minister, but they have questions that pertain to their constituencies. I think we certainly recognize the need to be reasonable.

I would say this to the Minister, although we have some differences of opinion on issues, et cetera, that we do have respect for the Minister. Certainly we want on the procedures to be co-operative to ensure that things run smoothly. Issues are places to have good debates and discussions about issues, but we would like to see this run smoothly.

With the indulgence of my colleague the critic, the Member for Southdale (Mr. Reimer) and I, who are sort of pinch-hitting on the

gaming issues, have a series of questions about gaming that we would like to get into. I think if we are able to deal with those and our colleague agrees then we would be able to see him proceed with his questions about other aspects of the department unless something comes up that requires us to come back about gaming issues, as may be the case, in which case we will ensure that the Minister has notice to have appropriate staff here. That would be the area we would like to get into today and perhaps on Monday as well for a while for those questions.

**Mr. Lemieux:** I appreciate certainly the critic and certainly members opposite, their point of view with regard to this, but I am just wondering, just to accommodate staff, is it your intention to just deal with gaming in the next little while? Because there are six other staff that are here now, if I might just pose that question.

**Mr. Praznik:** With the concurrence of my colleague the critic, I would suggest you just send them home, let them get on with their weekend or their week, and we could deal with the gaming issues.

**Mr. Chairperson:** Is there leave of the Committee to have global discussion on the entire Estimates for Consumer and Corporate Affairs? Is there leave?

**Mr. Lemieux:** Just if it could be recorded that, you know, with reasonable notice for staff, that is all. I mean, I have no problem with going global.

**Mr. Chairperson:** Is there leave of the Committee to have global discussion on the entire Estimates for Consumer and Corporate Affairs with the understanding that there will be sufficient notice for the staff to be here? *[Agreed]*

The Minister of Consumer and Corporate Affairs will now introduce his staff.

**Mr. Lemieux:** Mr. Chair, I would just like to thank my staff, first of all, as well, for coming here. I apologize to them that they had to be held here, but I am sure they understand that.

I would just like to introduce my deputy minister, Alexandra Morton, who, I am sure, is no stranger to maybe my critic or members opposite; also, Liz Stephenson is with the Gaming Control Commission of Manitoba; also, Fred Bryans, who is in administration and financial services with Consumer and Corporate Affairs.

On that note, I certainly am open to questions.

**Mr. Chairperson:** We thank the Minister for the introduction. We will now proceed to line 1. Administration and Finance (b) Executive Support (1) Salaries and Employee Benefits \$323,700, on page 47 of the main Estimates book. Shall the item pass?

**An Honourable Member:** Pass.

**Mr. Praznik:** Mr. Chair, it is regrettable the Member for Selkirk (Mr. Dewar) wants to rush this thing through by calling for it to pass. I would hope there is nothing to hide, but one does not know.

Mr. Chair, my colleague the Member for Southdale (Mr. Reimer) and I are going to sort of tag team on some of this, because we both have questions in a number of areas. I would like to start off, I guess, with kind of some general questions around where we are now in terms of the implementation process and the responsibilities that people have. I am trying to understand this process.

Yesterday, in the House, I asked the Premier (Mr. Doer) a question which I do not think, quite frankly, was fully understood or appreciated by him, and he left the Minister to answer. I am not sure in the hubbub of Question Period if the Minister appreciated my question. It was a very legitimate question, it was meant to be, and I want to get into it today.

In the press release that the Minister issued announcing the First Nations casino implementation committee, it appears to me—I may stand corrected—that the process by which the Minister and the Government have chosen to negotiate the implementation is one where they, in essence, are not having, I would call it, a two-



party set of negotiations, where there is the Government on one side and the casino proponents on the other and that they are sitting down on that basis to hammer out the arrangements, but rather it is a mediated type negotiation. My understanding in reading the press release is that the implementation committee which is composed of First Nations Assembly of Chiefs representatives, government representatives, a chair that I gather has been agreed on, that their role is to bring the parties together to steer those negotiations, but there still are parties that are being brought together.

\* (17:00)

I draw that reference from the line in the press release: "The implementation committee will be responsible for negotiating comprehensive agreements with each of the recommended proponents and the Government of Manitoba." So, it sounds to me as if they will be steering those negotiations by talking to the proponents and by talking to the Government to come up with an agreement.

Now, I am asking that because my question to the Premier was using that model which is a legitimate model. It has been used in the past, it is used in labour relations. My question was: Who is representing the Government as a party? The Minister's response in Question Period was that the implementation committee answered to the Minister. Well, I am going to explore that a little bit more as well. Having said that, who is the Minister responsible on the Government side for negotiating with the implementation committee on behalf of the Government, the public, the people, as the press release indicates that the committee is responsible for negotiating these agreements with the proponents and the Government of Manitoba? So I want to know who is representing the Government, the people of Manitoba, in this process.

**Mr. Lemieux:** I thank the Member for Lac du Bonnet for the question. In Question Period when I answered that question, I thought that I answered it fully by that remark. Mr. Eric Luke, who is the chair of the committee with two AMC representatives. Mr. Louis Harper and Mr. Roger Carriere, representing the AMC, Assembly of Manitoba Chiefs. We have Ms. Liz Stephenson

that is sitting beside me, as well as Mr. Harvey Bostrom, who are the two representatives for Government.

When I said in the House during Question Period that this committee reports to me, this committee is representing the Government. They report to me. They are representing the Government. They are negotiating on behalf of the Government.

**Mr. Praznik:** Mr. Chair, let me understand this more. On that committee that is representing the Government are two representatives of the Assembly of Manitoba Chiefs who also represent the proponents.

I am trying to understand the working relationships here that are being established. Are, in fact, these agreements being negotiated within the committee? Is Mr. Luke chairing a committee where Mr. Bostrom and the other government representative are there to represent the instructions given to them by Cabinet as to the parameters of those negotiations, and the two representatives from the Assembly of Manitoba Chiefs are representing the casino proponents, and under Mr. Luke's direction, they are going to sit at a table and hammer out the details, perhaps going back to principles, but hammering out the details of those agreements which will then be reported to the Minister, or is that Committee going to then sit down with the proponents and negotiate?

I am trying to understand this process. It is odd to me, Mr. Chair.

**Mr. Lemieux:** I just want to state again to the Member for Lac du Bonnet that this committee does report to me. The individuals from the AMC which we have developed a partnership with from the very beginning, we felt that it was imperative to certainly have their input and their advice. They are advisory, and certainly as Ms. Stephenson and Mr. Bostrom are advisory to Mr. Luke, Mr. Luke will certainly be conducting a lot of the negotiations and ensuring. I mean, let us go back to why, Mr. Chair, this implementation committee is in place. This implementation committee is in place to ensure that those First Nations proponents, those First Nations that

had been recommended from Mr. Nadeau and Mr. Freedman, that they meet the conditions for success that had been laid out for them.

This phase of this process, which is a long process, has an implementation committee in place to ensure that those First Nations communities, those First Nations proponents meet those conditions. That was what Mr. Eric Luke is going to be doing. He is going to be ensuring that those proponents meet those conditions. The AMC representatives and the government representatives are on there to certainly give advice and to certainly pass on the information that also may assist Mr. Luke in his day-to-day workings with the First Nations people. With regard to First Nations people, I mean, the proponents that have been recommended, Mr. Luke is going to be ensuring, as well as this committee, that they meet all those conditions.

**Mr. Praznik:** I am not doubting the sincerity of the Minister in talking about a co-operative process, and that is always a good way to negotiate. But I am trying to understand the responsibilities here in negotiation. Obviously the proponents have their representatives, so each of the five successful proponents at this stage will have a team or an individual who will be working on, as this press release says, their side of the agreement.

That agreement, I take it, is with the Government of Manitoba. So is Mr. Luke then and his committee representing the position of the Government of Manitoba in negotiating with the proponents? Is that the question? I do not understand, because that is not what the press release says. Is Mr. Luke your representative? When he sits down with the proponents, are they speaking to the Government of Manitoba through Mr. Luke?

**Mr. Lemieux:** Mr. Luke has been given the authority, if you will, to be working with the First Nations proponents. Now, Mr. Luke is going to certainly determine what their conditions are; he is going to be working face to face with First Nations people, with their negotiators. Mr. Luke will be calling upon the four individuals that make up his committee, certainly for advice, for reassurance, recommen-

dations and so on, that maybe you want to look into something further and so on.

But Mr. Luke will also have at his disposal people also within government that he will be able to call upon to be able to delve further into the conditions to ensure that they are met. Because Mr. Luke, even though he has a great deal of expertise, I am sure it is recognized and it does not even have to be said that, even though he is rated one of the top people with regard to gaming and certainly First Nations gaming in the country, he will be calling upon other people with different expertise and different areas to ensure different conditions are met.

One condition could be the destination casino, for example. That may be a condition, and if that is a condition, he may have to call upon someone within Tourism to advise him with regard to that particular condition. So the answer in the long and the short of it is that Mr. Luke is representing the Province of Manitoba. He is the head or the Chair of this committee. The committee is advisory, and they are going to be certainly assisting him with regard to some suggestions and so on.

**Mr. Praznik:** The Member's own press release says that the implementation committee will be responsible for negotiating comprehensive agreements with each of the recommended proponents and the Government of Manitoba. It does not say that Mr. Luke's committee is responsible for negotiating comprehensive agreements with each of the proponents for the Government of Manitoba, on behalf of the Government of Manitoba. It says they are implementing agreements with both. That is what his press release says.

Now, I am trying to understand. I may be wrong; maybe it is a complicated process. I appreciate that, but I think the public has to know who is accountable and responsible. This is a big assumption. Maybe the Government of Manitoba has absolutely no interest in parameters or details here. Perhaps they do not care. But every negotiation I have been involved in as a minister for nine years, including where the Minister's spouse was acting on behalf of a First Nation, I came to a negotiating table with a mandate and parameters, as she did on her side

with her negotiators. And, yes, sometimes you employ a mediator who is there to ensure that we are all acting fairly and keep us together, and it is a good process.

\* (17:10)

I am trying to understand Mr. Luke's role. Is he the negotiator of the Province who represents you with the First Nation proponents to put together an agreement, or is he there to bring the parties together and make sure all issues are dealt with fairly to kind of mediate the process? Now, I thought it was the latter, that was the impression I had. It is a legitimate mechanism. But the Minister's description tells me that it is really the former, that Mr. Luke is representing the Government side on these agreements. At the end of the day, you are going to have some agreement approved by Cabinet, approved by the Minister.

If I were those First Nation proponents, my question to the Minister is: Is Mr. Luke your representative as a government there that I know when I am talking to him he is going to go back to you as Minister, you as Cabinet, to find out if there is a mandate to do this, that or the other thing in putting an agreement together? So how can the proponents operate if they cannot get a clear answer about who they are really negotiating with? So I am asking him again for clarity: Who has the authority of the Province in this matter? Is it Mr. Luke? Is he your negotiator? Just like in labour relations, you used to send Gerry Irving and Bob Pruden that they go to the table with MGEU, they are representatives of the Government. So I am trying to get a sense of who yours is.

**Mr. Lemieux:** I will try to make this as clear as possible. I regret if the press release did not clarify this in any way, but I do want to state that Mr. Luke is representing the Government. Mr. Luke reports to me. The people that are on the casino implementation committee, they are advisory to Mr. Luke. Mr. Luke reports to me, and Mr. Luke will be certainly negotiating comprehensive agreements with each First Nation proposal with the Government. So it can be OCN in The Pas. They will have to have a comprehensive agreement with the provincial government. Mr. Luke is negotiating that.

The implementation committee is advisory. They are there to advise and suggest and so on to Mr. Luke, but Mr. Luke is the one who is my representative and reports to me, and then, of course, I would be reporting to Cabinet. So Mr. Luke is doing the negotiating with the First Nations communities, and he is the person who is going to be ensuring—as well as the advisory body ensuring that the conditions are met for success.

I was reading through the news release where it states the implementation committee will be responsible for negotiating comprehensive agreements with each of the recommended proponents and the Government of Manitoba. A lot has been said about the confusion or supposed confusion or the maybe confusion, the process is actually quite clear. The process was you had an independent selection committee made recommendations to government as was mentioned in the House numerous times. It went from 62 First Nations to 12 to 5 were recommended. Now out of those five you have as I mentioned the ball is in their court, and now they have to show that they have met the conditions for success.

Mr. Luke will determine those conditions for success, and he will be speaking and working with the First Nations community to ensure that they are meeting those conditions. Then they are going to be entering into comprehensive agreements with the provincial government, and there are going to be certainly obligations and accountability with regard to their casino operations. That is all going to be part of the comprehensive agreement. But Mr. Luke is the Province's negotiator and he is using the implementation committee as advisory.

I hope I have clarified that for the Member for Lac du Bonnet. If not, I would be pleased to try to do so.

**Mr. Praznik:** Mr. Chair, just a comment. You know, all the politics of this aside, yes, anytime you enter a project you want it to be successful, but this negotiation with an agreement is more than just success. You could make your casinos very successful if you allowed them to rig the machines to never produce a winner. That is a condition for success.

There is also a regulatory framework to make sure that the public is protected, that illegal activity is not incorporated. There are a lot of protections for the public interest that are there, and I would remind the Minister that the Criminal Code delegates this authority to him with a responsibility to ensure those are met. So it is not just the financial success of the casino, but the issues of responsibility that he also represents in these negotiations.

But I would refer him to his press release. Perhaps his staff have a copy of it. The Minister has just told us that Mr. Luke is the negotiator for the Government and the committee is really advisory. Well, then I ask a simple question: Why did he not say that in the press release? The press release says that he is appointed as Chair of an implementation committee. It does not say that he has been appointed as the negotiator and that he has an advisory committee to work with made up of four people. It says it is an implementation committee of which he is Chair.

The clear implication in the English language is the Committee has a responsibility, and his job is to Chair that committee, perhaps, to lead it. So the Minister now is telling us something different than the words he, in effect, put out in his communication. So, if I were a proponent reading this, I would have to say, well, I am not sure who has what authority. Then it does raise a question, ultimately. It does raise the question: Why was the Minister not forthcoming?

I do not see in my mind one reason why the Minister would not have clearly said that in his press release. If Mr. Luke is there to represent the Government of Manitoba as the negotiator who has the authority to enter into a negotiation and produce a contract or an agreement with those proponents, subject, of course, to the Minister's approval and Cabinet approval, why did he not just say that? If you are allowing assistance with Mr. Bostrom and others, why would he not have just said that? Why would he have set his press release up as it is now? We are hearing today two different things, and it is not clear.

**Mr. Lemieux:** I thank the Member for Lac du Bonnet for his questions. I just want to state

certainly that the Government will be signing the comprehensive agreement with the proponent. It is not Mr. Luke. Mr. Luke is the negotiator for us, using the implementation committee as an advisory body. I just want to state that with regard to the proponents, I do not know if it was alluded to, certainly it was stated on the record that somehow the Criminal Code of Canada is precedent. We know that. We understand that the Manitoba Lotteries Corporation and certainly the Manitoba Gaming Control Commission have a responsibility with regard to the law of the land.

But I just want to state, within the Nadeau and Freedman report it states: Among the many matters that have to be considered by both the proponents of the Government of Manitoba which should be dealt with—for the Member for Lac du Bonnet's benefit, it is on page 23 of the recommendations of Nadeau and Freedman. It states that both the Government and the proponents, which should be dealt with in the comprehensive agreement we recommend below, are: ensuring all phases of an approved proposal are committed and developed; ensuring capital costs are set at reasonable levels and are controlled during development; ensuring the optimal mix of debt and equity financing; ensuring no overloading of charges on non-arm's-length aspects of the project, the example being lease rates; ensuring transactions that affect the 70-30 split, example, sales of assets are carried out at fair market value; ensuring that any jurisdictional issues that may exist because of the unique status of First Nations, building codes, employment standards are adequately resolved; ensuring that all lengthy, required public processes relating to zoning, the environment, and the conversion of land to reserve status are fully satisfied; and ensuring that the proposed commitments to affected charities are implemented.

\* (17:20)

These are some recommendations, as previously stated, that are recommended by Nadeau and Freedman. These are some of many matters that have to be considered. These are many matters that Mr. Luke is going to have to consider closely also in combination with the

conditions for success that he is going to see. These are things that he has certainly a full task ahead.

But I just want to again reiterate, I do not believe there is any confusion whatsoever. I believe that people understand that Mr. Luke, being the chair, is going to be certainly in conversation and meeting with First Nations' people and is going to be ensuring that the certain matters that I just previously mentioned are going to be met. Again the Government of Manitoba signs a comprehensive agreement with the proponent and with the First Nations community if those conditions are met. It is not Mr. Luke. Mr. Luke is the negotiator for us. We have not relinquished anything with regard to the Criminal Code of Canada, or with regard to our role and our responsibility with that.

So I hope I have addressed that question and certainly clarified it for the Member for Lac du Bonnet, because I know that in the very near future that certainly Mr. Luke will be in contact with First Nations, with the recommended proponents and that he will be certainly entering into discussions with them in the very near future. As I mentioned before, the ball is in the First Nations' community in their court, but Mr. Luke will certainly be in contact with them and will be working with the First Nations community to ensure that those conditions are met.

**Mr. Praznik:** Mr. Chair, I still think there is confusion in responsibilities, but I am going to ask the Minister another important question. He said the contract will be signed by the Government of Manitoba. He is the Minister responsible. I take it he is the Minister who will be signing those agreements because he is responsible for them?

**Mr. Lemieux:** I thank the Member for Lac du Bonnet for his question. I just want to refer, if the Member has the recommendations from Nadeau and Freedman, on page 24 in the last paragraph, the first sentence, it states that we strongly recommend that a comprehensive agreement be entered into by each proponent and the appropriate minister that would outline in detail obligations of the proponent in terms and so on. That Minister is me, the Minister of Consumer and Corporate Affairs.

**Mr. Praznik:** Mr. Chair, given that Mr. Luke has a mandate to implement and proceed with these agreements, that he will be bringing to you, I take it for your approval, your recommendation to Cabinet, I appreciate Cabinet approves, but, as Minister responsible, it will be your job, I take it then, to work with Mr. Luke and to take the result of his work and his committee to Cabinet with the recommendation. Is that correct?

**Mr. Lemieux:** Mr. Chair, as mentioned that I am the Minister responsible, certainly I would be working very closely with Mr. Luke. I will be in conversation with him. At the end of the line, the buck will stop with the Cabinet, and the Cabinet will make a decision. We will have to ensure that the law of the land or all conditions are being met with regard to compliance or whatever other issues there are. Cabinet is definitely where the buck will stop. As the Minister, I will be the one working with Mr. Luke through to Cabinet.

**Mr. Praznik:** Mr. Chair, given that we have clearly established the Minister is the one who is responsible, has to take this paper to Cabinet, as all Cabinet papers usually do there is a recommendation with them, and given that, as the Premier (Mr. Doer) has indicated, he is the Minister responsible, I want to ask him today given that Mr. Luke has a mandate to implement, he has the selection committee report and recommendations, which, in many areas, are fairly vague. They are vague in technical detail, and they talk about principles, but they are vague in technical detail, issues of accountability. *[interjection]* The Member for Elmwood (Mr. Maloway) stays, and perhaps for good reason.

But given that in any of these negotiations there are hundreds and hundreds of details that have to be worked out, some of them that are very significant, I would ask the Minister: Has he given a mandate to Mr. Luke and that committee, to his two government representatives, resource people on that committee, as to the parameters in which Mr. Luke may negotiate?

I just say to him having gone through major negotiations on behalf of the Province in land claims and other things over the years, hydro

settlements, I always had parameters for negotiation drafted. I had my parameters approved by Cabinet, and I was in my realm to negotiate or have our negotiators negotiate within their mandate. The same takes place when government negotiates collective agreements with their employees, that the people at the table during the negotiating are given parameters in which they can negotiate. As long as they are within those parameters, they are within their mandate, they can carry on. If they are outside of those parameters, outside of that mandate, they have to come back for instruction, and that is normal in any negotiations.

Now, given that we have established that Mr. Luke is not just a facilitator, but he is actually the negotiator for the Province—even though his implementation team contains two people from the Assembly of Manitoba Chiefs—so the Government of Manitoba has included within its negotiating team representatives of the casino proponents, which is highly unusual: Has the Minister given to Mr. Luke, or will he be giving to Mr. Luke before he begins those negotiations his mandate, a detailed set of parameters that the Government would like to see included in those negotiations? We do know that the Premier (Mr. Doer) has said in his press release reviews by the Auditor and some other things. Have these been put together, or will they shortly be put together to a mandate for Mr. Luke in which to begin his negotiations as the provincial negotiator?

**Mr. Lemieux:** I thank the Member for Lac du Bonnet for his question. I just want to comment on one statement that the Member made was somehow Mr. Luke was going to have the mandate to recommend. I mean, Mr. Luke is making recommendations. Mr. Luke is certainly going to be ensuring that different conditions are being met, the conditions for success that we often have talked about. But within the comprehensive agreement we are talking about that he would certainly be responsible for negotiating the comprehensive agreement as was recommended by the selection committee with each of the recommended proponents and the Government of Manitoba.

These agreements will detail matters related to the proponents' obligations and accountability

in the casino operations, including addressing amendments required to the proposed plans and the commitment to multiphase developments, management and operating fees, financing arrangements, land conversion and municipal requirements, legislative and regulatory initiatives, and also including the consequences of non-compliance in revenue distribution with a 70-30 split and mitigating adverse impacts that may result from the establishment of the casino developments.

Mr. Luke is certainly going to be using the recommendations of Nadeau and Freedman, as well as to ensure that what he is negotiating is quite clear, that he is negotiating on the conditions for success. I call them conditions for success. Many may refer to them as caveats or so on, but Mr. Luke is going to be ensuring that First Nations communities meet those conditions for success; otherwise, they will certainly not end up with a casino.

Once again, he is going to be making recommendations to the Province that those conditions have been met. Now obviously, Cabinet will have the last say with regard to whether or not the casino goes ahead or not. Just to point out also that the Manitoba Lotteries Corporation is responsible for managing and conducting gaming, and also important to note that Manitoba Lotteries Corporation will have a big role to play with regard to the casino proposals should they come to fruition.

\* (17:30)

**Mr. Praznik:** Well, Mr. Chair, I am absolutely miffed here that here is a Minister of the Crown who is responsible for the Gaming Control Commission, which is the regulatory body that ensures that gaming is not corrupt in this province, that casino facilities and gamings are properly operated pursuant to the Criminal Code and that the parties to it are protected. The Province is about to grant, as this report of Mr. Nadeau and Mr. Freedman says, a unique and valuable privilege hitherto in this province restricted to the Government to five private operators.

This is a huge step in the advance of gaming, in the history of gaming in our

province. It is the first time we are having private operators. It is five casino operations; it is a big step for First Nations people. Those people who are supposed to be the beneficiaries of the proceeds of these casinos, at least a small percentage, 27.5 percent, have a vested interest in ensuring that things are properly managed, properly run and accountable. Now, surely to goodness, any reasonable person would expect that the people of Manitoba, their government have a set of criteria around which those negotiators can work that are larger than the vague commentary in the Nadeau-Freedman report.

In fact, even in that report, on page 24, Mr. Nadeau and Mr. Freedman indicate that these agreements must outline in detail the obligations of proponents in terms of development and their operations. Now, those details, the devil is always in the detail. I mean, let us get over the point of saying we want success, yes. If you are going to have the casinos, we want successful ones, but here it is talking about public protection.

I asked the Minister of Justice (Mr. Mackintosh) in Estimates what advice his department was going to offer to you as Minister and your team, in negotiating these agreements to put the kind of basic protection in place to ensure that one would not see a criminal element use these casinos to launder money, what kind of advice he was going to offer your department to ensure that there was proper accounting and accountability, to ensure that the people who were to benefit from the casino are, and you know what your—

**Mr. Chairperson:** Order, please. The committee will recess for a formal vote in the Chamber. The committee is recessed.

*The Committee recessed at 5:32 p.m.*

*The Committee resumed at 6:11 p.m.*

**Mr. Chairperson:** Committee rise.

## LABOUR

\* (14:50)

**Madam Chairperson (Bonnie Korzeniowski):** Good afternoon. Will the Committee of Supply please come to order. This afternoon, this section of the Committee of Supply meeting in Room 255 will resume consideration of the Estimates for the Department of Labour.

Consideration of these Estimates left off on page 129 of the Estimates book, Resolution 11.1. Labour Executive (b) Executive Support (1) Salaries and Employee Benefits \$500,100. The floor is now open for questions.

**Mr. Ron Schuler (Springfield):** I would like to ask the Minister if we could move back to the Office of the Fire Commissioner.

**Hon. Becky Barrett (Minister of Labour):** Does the Member anticipate asking any further questions in the area of Citizenship and Immigration?

**Mr. Schuler:** No, we pass.

**Ms. Barrett:** Well, I would wonder if anyone else might have some questions in that area. We were at it. It appeared from the discussion at the end of yesterday that the Member for Springfield actually had some further questions. I do not have a Hansard with me, but my understanding is that he said he would have more questions on the Manitoba Intercultural Council. So I have staff here who are prepared to answer questions. I would like to just see if there are other questions in this area before we go back to the Office of the Fire Commissioner, as we had suggested.

**Mr. Cris Aglugub (The Maples):** Madam Chair, last May, the Minister conducted a conference for the formation of a new Manitoba Intercultural Council, whether it comes up with the same name or not, I do not know at this point, but could I ask the Minister whether there is going to be a follow-up to that consultation process that was held on May 18?

**An Honourable Member:** Maybe he should read Hansard.

**Ms. Barrett:** The critic just suggested that the Member for The Maples (Mr. Aglugub) read Hansard. I would suggest that it is rather

interesting that that suggestion comes from the Labour critic who has on numerous occasions asked the same question, not even the next day, but literally within moments of receiving an answer, he has asked the same question. So I would suggest that the Member might look a little closer to home before he makes suggestions such as that.

In answer to the Member's question, the session that was held on May 18 was very positive, very informative, I believe, for the participants, and a very useful exercise. We said, at the time, I said even before the meeting and I believe I stated—I know I did—at the end of the meeting when I was thanking the participants for coming, that this would only be the first step, that we would be having more consultations in the future. What we needed to do first was take a look at what the recommendations and suggestions and ideas that came out of the four working groups that met that night at the Filgrin Palace. I have looked at those recommendations. They were on flip charts, so they had to be transcribed into something that was a little more useable. I do not know if members have ever tried to take flip chart renderings and work with them. Flip charts are wonderful things, but they have their limitations. We have transcribed the deliberations of those four subcommittees, and they are very interesting in what they say.

Everyone was very concerned that whatever structure comes into being must have a good relationship with the Government. I think that part of why that was a major, major underlying theme in the discussions that took place on May 18 was that the last few years of MIC's existence and the acrimony that occurred around the passage of the Bill that in effect killed the Manitoba Intercultural Council in its original guise led to people being very unhappy and feeling very alienated from government, that which is totally antithetical to what was the expected outcome and what actually did happen with MIC after its formation in 1983.

We are taking that underlying theme very, very seriously. Whatever we do, whatever the final organization looks like, it will have been as a result of very great consultation and a basic respect for the ethnocultural multicultural community. By respect, I mean a recognition

that the multitude of communities that are part of our society here in Manitoba have to have access to a group and be part of a group that is going to have some influence in a positive way.

I do not mean influence in a politically focussed way, but influence with the Government of the day. I believe that very strenuously because it is only through open dialogue and consultation and listening to people who come from a variety of backgrounds and experiences, both in their homeland and here, are you going to be able to develop policies in government that strengthen our government's relationship with a multicultural, ethnocultural community and also help that community, those communities strengthen their own ties with themselves, their families and their organization and strengthen their ties with the rest of Manitoba society.

Those are very large challenges facing us, so I was very pleased that the group on May 18, the groups, all four of them, recognize that as a basic concern, a basic tenet, a basic principle. In answer to the Member's question, we will be further consulting. We have not yet decided on the format that that consultation will take.

I think at the very beginning what we will do, as I promised on May 18, is to send out to all of the participants, not only all of the organizations that had representatives there but also all of the organizations that were invited and could not send representatives—and there were a number who called with regrets and said that we want to be kept informed. We feel this is an incredibly important process. We are very happy you are doing it, and we want to be part of what happens. We want to be kept in touch.

\* (15:00)

So we will be sending out, very shortly I hope, a letter to all of those organizations that were invited, whether they could come or not come, and outline for them what we took from the discussions on May 18. Then I think what I will probably do is I hope to over the summer come up with a plan, a longer-term plan. But I think at the beginning what I will do is ask in that letter sending out the report of the proceedings for feedback from these organizations, so that they have an opportunity



whether they come to another full meeting or not or whatever. They will have an opportunity to talk among themselves in their various organizations and give some sense of what their groups feel. You must remember that while there were over 120 individuals representing over a hundred organizations, they spent most of their time in one of four groups. We did have a reporting-back mechanism, but that reporting-back mechanism was quite summary in focus, and you do not get the same richness of detail that you do while you are in your own group.

We hope that this summary of the suggestions and concerns and ideas for follow-up, by our sending them out to these various organizations and giving them an opportunity for a few months to talk about them among themselves will, again, provide us with another level of dialogue and another level of thinking on these issues. Also, I will ask what the organizations think—are the critical, critical issues coming out of this? And how they would like to proceed. Would they like to proceed with another meeting? Would they like to proceed in a smaller group among themselves or with communities that have like interests?

For example, the range of groups that were present that night ranged all the way from Ukrainians, representatives from the Scotland organizations. I believe there was a representative from Belgium there, Holland, the Filipino community, the Laotian community, the Vietnamese community, the Chinese community, a number of representatives from a number of different organizations. I think it is important for us to remember that the multicultural community is—I mean, we say it all the time but it is really true, it is very diverse. It comes from across the world, but each group has a different perspective.

Some of the groups, like the Ukrainian community, have been here for decades, in some cases for generations. The Jewish community was represented on May 18, and they in many ways have been here for a very long time. So there are older groups that have been here, have established themselves, are in a different spot in the evolution of a community, and then there are other groups or other individuals that are much newer here to Manitoba. The Filipino

community is a reflection of both of those things, I think. They are the largest group now—over 40 000 strong. They are, comparatively speaking, a new group because the first real wave came in the late '50s as the Member for The Maples (Mr. Aglugub) pointed out in his member's statement the other day. In comparison to the Ukrainian or the Scottish immigration, they are newcomers. But in comparison to the Laotians or the Ethiopians or the Eritrians, they are venerable elders.

Another element that comes into play is the numbers of a community. When you have a community that is as large as the Filipino community, that is as cohesive comparatively speaking as the Filipino community that has a large number of organizations within itself, you are going to have—and most of its members are English-speaking. You have different challenges facing that group than you do a group of Sudanese refugees, Kosovar refugees, Ethiopian refugees, Eritrean refugees, many of whom will have come here with virtually nothing and many of whom have critical issues dealing with basic immigration and settlement concerns.

While they are all members of the umbrella, and we hope to be able to be able to put them in an umbrella organization, they still have a very diverse perspective. We want to hear as many of those perspectives as we can. So that is one of the reasons why we are sending this letter out to people, sharing with them what did occur, whether they were in attendance or not, and then asking for further feedback. Then hopefully, within a very short period of time, we will have evolved another level of consultation and dialogue and maybe draft—there was some suggestion I believe at that meeting that we draft a white paper or a green paper. I can never keep them straight, which is the first one, which is the policy paper. Then perhaps what we can do as well is we can send out a more detailed suggestion for implementation and ask for feedback on that.

I must reiterate that the first meeting by design had no specific recommendations. The meeting invitation had three questions, but it had no recommendations or ideas or thinking from the Government's perspective. I did that on purpose because I wanted to ensure that every

person, every organization had as much opportunity to think rather than just respond. So we have had that opportunity to think. Now there is a chance to respond to that thinking. Then as we evolve we will get some more detail, some more plan in place and then ask for the community's response to perhaps a draft proposal for what another organization might look like.

With those brief comments I hope I have answered the Member's question.

**Mr. Aglugub:** I really appreciate some of those remarks that the Minister has said. But I have another question. I do not know if it is proper at this point. Yesterday we were talking about citizenship and immigration. I heard the number 220 000 target for Canada. Out of 220 000, 4% equivalent to 8000-something is supposed to be destined for Manitoba. That is the Canada target.

In Manitoba we are pursuing a program called the Provincial Nominee Program. I understand that we have gone from 200 to 450 places for the Nominee Program. For this year and next year, have we set a limit? How flexible is that program? Can we ask for more? Or are we able to set our maximum goal, which is about 8000-plus for Manitoba?

Every day we see in the paper there is an acute shortage of skilled labour or skilled immigrants. Are we able to take advantage of this 8000 if there are enough immigrants? As you see, Maples is quite interested in the immigration area, because Maples is a diversified community. We have an East Indian community that are very interested in bringing in some of their relatives who are highly qualified, highly skilled. So is the Filipino community and so is the Portuguese and other immigrant groups in The Maples.

So I would like to get some numbers or target numbers, whichever the case may be.

**Ms. Barrett:** The original provincial nominee agreement was signed in 1998 with the federal government, and it was a four-year agreement which will expire next year. The agreement was for 200 families per year to come in under the Provincial Nominee Program. That was in 1998.

In November of 1999, just prior to my going to Ottawa to meet with the federal Immigration Minister Caplan, I sent her a letter asking for an increase in the numbers of the Provincial Nominee Program to 450 families per year and was very pleasantly surprised, when we went to Ottawa, that the first thing she did when we sat down in her office is she handed me a letter which agreed to the addition of 250 new families per year, giving the province the ability to recruit 450 families per year. I have now sent a letter, very recently, again to Minister Caplan, asking for another 50, to bring the total to 500 families per year that would be coming in under the Provincial Nominee Program.

\* (15:10)

We are looking at expanding the criteria of the Provincial Nominee Program to include more business-oriented individuals. We are working on guidelines with the Department of Industry, Trade and Mines to establish criteria so that people could come in, not necessarily with a high-demand occupation as currently is one of the selection criteria but people who would be more entrepreneurial in scope. Again, as I spoke the other day about the nurses, we are working with the Department of Health in a program designed to provide additional nursing capability in the province, as we all know what a shortage we have there.

We are currently working with 40 different embassies throughout the world. The largest component of individuals to date has come from the Philippines, but we have numbers coming from a variety of countries. The Provincial Nominee Program is designed to complement the regular immigration routes. One of the members yesterday asked questions about a constituent of his, the son of a constituent of his, and we discussed some of the regular immigration routes, but, as we all know, the regular immigration process takes a very long time. It can take literally years for people to be able to come to Canada. There are a number of different causes for that. So this Provincial Nominee Program not only speeds up that process, but it also provides a kind of made-in-Canada solution to an actual problem or perceived problem in other parts of the country.

Because immigration is a federal matter, federal jurisdiction, and because we have as part of our Charter of Rights and natural justice, I would suggest, a provision that states that you cannot prohibit a person's mobility. What has happened in the past is that the vast majority of people who come to Canada through immigration have migrated to three magnet locations. To no one's surprise, those are Toronto, Vancouver and Montreal.

There are some segments in those three communities that have felt that this was getting to be a problem, that were too many, that there were a lot of issues dealing with this. Hansard will not reflect this in the written form, so I want to put it on the record that I do not believe that. I believe there are challenges that are faced by any large community, and those three cities are very, very large.

I think we should openly welcome and warmly welcome far more than the 220 000 that the target is. This is a big country. It is an open country still. There are enormous amounts of opportunity here, but the political reality faced by the federal government has been that these three centres have not—that there has been pressure on the government to reduce the flow of immigrants and refugees into Canada because of the political pressure faced by those three centres.

The Provincial Nominee Program—back up again. Then there are other provinces such as Manitoba, smaller provinces where we have a problem, but it is exactly the reverse: We need more immigration. We can use more immigration. We want more immigration, because we have been very successful with the people who have come here from other countries. This is a province, with the exception of the First Nations people, which has been built by immigrants. It is a new province historically. We are all sons, daughters, grandsons, granddaughters, great-grandchildren of immigrants most of us.

We are a young, new province that has a lot of room. So how do you deal with these two conflicting situations? You develop a program such as the Provincial Nominee Program, which recognizes the fact that the federal government

still has control over immigration, but the federal government also recognizes there are areas like Manitoba that could have more immigration, more people that would come in and stay in Manitoba under the normal immigration rules.

What the Provincial Nominee Program is designed to do is to identify people with high skills in areas that we need, hopefully, with family or community contacts in Manitoba. Once those people have been identified, they have a faster route to get into the province. They still have to pass health and criminal checks. The federal government still has ultimate decision-making authority as to whether a person can come in or not under this program, but they have devolved onto Manitoba a large portion of that decision-making process, which, in theory and in actuality, actually has speeded up the process.

Another element of this program is that the positive for the federal government is that it ups their numbers, and the federal minister wants more immigration, but she wants it spread across the country more effectively. If we can bring in 450 or 500 families a year, plus dependants, 2000 to 3000 people a year just on this program alone, then we will up the federal numbers, which is good. Because these people have skills that are in demand here, because they have jobs that are here, because they have a community or family that are here, they are much more likely to stay in Manitoba than to gravitate to those other three centres. This is the theory behind the Provincial Nominee Program.

To date, we are a couple of years in, and so we are beginning an evaluation process. It has been difficult. Again, you cannot require someone to tell you if they are going to leave or not, but so far the indications are that people have come to Manitoba and are staying in Manitoba. I think it is recognition on the part of the federal government that they want this program to succeed, because they have agreed to more than doubling it. I have no reason to believe they will not accept our request for an additional 50 immigrants.

**Mr. Aglugub:** A couple of weeks ago, I had a couple of inquiries from my constituents, and some of their applications for this program have been rejected because there is no job offer. I

have looked at the application myself. There is a list that you can see that says, I think it is called, high occupational demand skills.

Could you or could someone clarify, because I am not sure what it is, whether if an applicant falls under one of those high demand skills, do they or do they not need a job offer? What they are saying to me is that, even if you fall under one of these high-demand skills, you still need a job offer in order for that program or application to go through the processing.

**Ms. Barrett:** The numerical qualifications, the number that adds up to a hundred, there are eight factors that are taken into account when assessing applications. One is age, education, occupational demand for the applicant, guaranteed employment, occupational demand for the spouse, if any, work experience, language and adaptability. So those eight criteria, if you scored at the top of each of those, would give you a hundred points, and fifty-five is the cut-off part of the assessment.

\* (15:20)

It says in the application kit that you must score at least 55 points as assessed by a program officer to be considered for the Provincial Nominee Program. So that is the first thing. So each application is looked at, and numbers are assigned for those criteria. Unlike the federal program where, if you do not have a job offer or you do not have one of the criteria, you can be automatically disqualified. The Provincial Nominee Program does not automatically disqualify you. You will get fewer points if you did not have as much of one thing or another, but you are not automatically kicked out if you miss one of the categories.

Another part of the application kit talks about the best potential to be selected, and I am going to read it. It says: Applicants have the best potential to be selected under the program if their intended occupation is in high demand in Manitoba. They have a guaranteed job offer in their intended occupation and they have supports in Manitoba to assist them in the settlement process. Other applications will also be considered on a case-by-case basis if applicants possess skill sets and experiences that can meet

specific regional and/or localized labour market demands in the province. So there are certain set criteria, but there is flexibility within them.

I will just read the occupations that are on the high demand list effective March 15. In the aerospace industry: aircraft maintenance personnel; industrial engineering and manufacturing technician; non-destructive technician; mechanical engineer technologist and sheet metal worker composites. Then there are skill sets that are attached and minimum years of experience as well for each of those.

In the information technology area: a computer engineer; computer programmer; project managers; computer systems analyst. In the construction area: bricklayer or masonry; plumber. In the transport and trades: motor vehicle mechanic; body repairer; electronic systems of motor vehicles; transport truck trailer mechanic; transport truck mechanic and heavy duty mechanic. In wood processing and building products: a CNC machine tool operator and a CNC programmer. Please do not ask me what CNC stands for.

Manufacturing sector: welder; tool and die maker; sheet metal worker; industrial mechanic; cabinetmaker; machinist. In apparel industry: computer-aided design operator; pattern grader; pattern maker marker; sewing machine mechanics; repair personnel and a sample sewer maker. In the agriculture sector: hog barn unit managers. As I stated, there are some skill sets that are identified here and minimum years of experience.

So, that is a summary, but if you did want to ask me what "CNC" meant, I have been notified by staff that it means computerized numerical control, which does not help me a whole lot but may help the Member and I thank the Assistant Deputy Minister for that.

Finally, there were 4000 applications last year and of those 450 were approved. So it is pretty much 10 percent of the applications that come in were approved last year.

**Ms. Marianne Cerilli (Radisson):** Madam Chairperson, I want to follow up with a few questions in this area that stem from some of the

meetings I have had, particularly, with representatives of the Italian community as well as some of my constituents. They deal with immigration, changes in trends, and some of the other services related to settlement and services even for some of the immigrants we have had that are now aging, which is sort of presenting some new challenges for government.

I guess I want to start off with sort of picking up from where you were talking about that list of employment areas that are sort of targeted. I know that the multicultural community is very interested in what I believe is seen as a success story. If it was Winkler or Steinbach, I cannot remember right now which community but it was a real targeting not only of sort of an area of the economy but also a specific community with language, German-speaking people. A lot of people in the community are saying that that is a real new way of approaching immigration that they really supported.

I am wondering if that has been sort of evaluated and if there are any plans to duplicate that in other parts of the province to try and figure out other places where it could work, where there is a percentage of community that has a large number of people who speak a certain language, where we could go to the country with similar language and tailor the immigration so it will also fit into the economic requirements in that community. People will come, able to function in their own language and also the language that is predominate in that community.

**Ms. Barrett:** The Member raises very interesting issues here. What happened in the southeastern part of Manitoba—Winkler, Morden, Steinbach, that area—is that using the Provincial Nominee Program but a variation on some of the criteria, a different weighting on some of the criteria, the language criteria, for example, because the community has a very predominate Low German-speaking community so the people that have come in, in that program, have that same language, have a common language. It may not be the language of the broader province, but it is the language of that community. That is a community, but there are different definitions of community.

\* (15:30)

This Winkler, Morden, Steinbach experiment or variation is a community in several ways. It is a community in the cultural sense, but it is also a geographical community. If I am interpreting the Member's question correctly, when you just pulled one community out of the air, like the Italian community, my understanding is that is less of a geographical community. For example, they are more in Winnipeg. So that is another kind of a definition. Even in the regular Provincial Nominee Program guidelines, it talks about the applicant having supports in Manitoba to assist them in the settlement process. So that is where the community, as you are talking about it, the Italian community, the Portuguese community, the Filipino community in Winnipeg would be part of that process. There are Filipino residents throughout the city, but there are also a couple of communities, a couple of parts of the city where there is a large number of Filipino residents. So they have both a community of interest and more of a geographical community. So those are the kinds of things that are looked at.

One thing I need to comment on too that I did mention in my earlier response is one of the elements that the Provincial Nominee Program is very careful to do is to ensure as much as possible that the people who come in through the Provincial Nominee Program are not taking jobs that could have been filled by community residents, by Manitobans, because the whole point of this is to add to, not take away from. So that is why the emphasis on the high-demand occupation list. They want to make sure that these are positions that are more likely to go unfilled if you do not have people coming in.

So I do not know if that completely answers the question but, if not, I will sure try.

**Ms. Cerilli:** Madam Chair, we can keep at it because it needs a little bit of, maybe, clarification on my part. I was just referencing the Italian community because that is the meeting where this came up. I was not suggesting that that is where the fit is, but I could think maybe in the French community, a lot of the Francophone communities. I know I recently had some meetings with St. Boniface College

where we are trying to double the number of college spaces, and there is a real interest at that college to obviously have those positions filled by Francophone students. So there is a lot of attention being paid to international students from French-speaking countries. There is also lots of room in a number of communities to expand the population of French-speaking Manitobans from other countries, and maybe Ukrainian communities where there is—it has to be, I understand what you are saying, a geographic community as well as a broader heritage language and community that could provide supports as well or maybe if there are some other family connections.

I guess now understanding that was part of the Provincial Nominee Program is helpful to get at the idea of evaluating that. If the Government also agrees that it was and is a success that, I am assuming, was initiated through some of those communities that we were talking about, Steinbach and Winkler, if it is seen to be a success, if we could look at duplicating that in other parts of the province with other communities.

**Ms. Barrett:** Well, there are ongoing evaluations taking place regularly, but this is a special situation, and we will be looking at that to see if it could be replicated in other parts of the province or if modified or if this is a unique situation. So, yes, we will be looking at that.

One of the things that I think is important to remember too is that for the Provincial Nominee Program to be a success and to be seen as a success, particularly by the federal government who needs to be comfortable with this or it will not go through, because they are the ones who are actually giving us the authority to do this, is that we retain, as much as we can, these immigrants in Manitoba. So that is where the community comes in, whether it is defined as a geographical community, as a heritage community or community of interest, you do not have to necessarily have a bunch of people coming from the same country living in the same location or the same language group as happened in the Winkler-Morden-Steinbach area, because we have provincial nominees, not a whole lot of them, but some throughout the province. It is a question of family connections, of community

connections, and they can be more geographically tenuous as long as they are there.

On the French issue, I am glad the Member raised that because there was and is a small project of trying to get Francophone people coming particularly to the St. Boniface area. Some work has been done in French Morocco in that regard to bring families over. There are some challenges there because language is not the only binding tie and may not even be the most binding tie, so you have to look at other elements as well, but yes, these are the kinds of things that are being looked at every day.

\* (15:40)

Another challenge, too, is because there are 4000 applicants and 450 or 500 spaces, you could fill 100 percent of them. I am sure you could fill 100 percent of them in the Winkler-Morden area. You could fill 100 percent of them from the Filipino community. You could fill 100 percent of them from probably a very small group of people. My goal is to, because one of our goals is to have to reflect the diversity in Manitoba and to increase that diversity to make sure that we—because we have so many applications we could pick and choose, but I think there are a bunch of criteria that need to be looked at, so we balance those groups, so more groups get an opportunity to be involved in this program.

**Ms. Cerilli:** Keeping with this theme then of retaining people in Manitoba, I was really amazed recently to read an article in the paper that said that half the population of Toronto was born somewhere else, and, by the way, that is where I was born. I was born obviously in Canada but my parents were not. To see that is still the trend in a place, a city as large as Toronto just really was amazing to me.

It raises the question about how we are doing here in Manitoba in terms of keeping people that come here, especially when they are coming here with families when they are young and that they stay in Manitoba when they come as new Manitobans and immigrants. Obviously, that is one of the reasons why the Provincial Nominee Program has that as a criterion. Other than that, I am wondering how we are doing in

this vein compared to 10 or even more years ago, if we are retaining Manitoba immigrants in Manitoba over a number of decades.

**Ms. Barrett:** We can all recognize that it is difficult to track migration, if you will, of people because, as I said, you cannot force them to tell you where they are going, certainly cannot tag them, something like you can do with geese or bear or whatever. But the StatsCan figures, as we have seen in the papers recently, have said that as a province, generally, our population is reversing the trend of 10 or 15 years of out-migration, and we are taking in more people. More people are coming to Manitoba or back to Manitoba than are leaving, interprovincially. The sense we have is that that is the same situation with immigration at this point.

The federal government has undertaken a study of tax returns, and I guess that is a way you can sort of track people, probably the only way at this point until we are all fingerprinted. Between 1980 and 1994, Manitoba lost 35 percent of the people who came here from somewhere else, whether it was another province or another country. I believe there were two provinces that had a net gain. I would bet you that is Ontario and British Columbia, and the rest of the provinces had either stabilized or a net loss.

We were sort of, as is Manitoba's want, kind of in the middle of the pack. To compare, Saskatchewan lost 45 percent. So the glass is one-third empty or two-thirds full.

**Ms. Cerilli:** I want to move on to a bit of a different area and it is almost the reverse of that problem in a sense, that obviously we do have people who come to Manitoba and live their whole life here and never really learn very much English. This is an issue that has been raised with me by representatives of the Italian community, is that as they are aging, they are then requiring services such as home care and personal care homes, and that language barrier really presents a problem, especially in those two instances.

There have been a number of creative suggestions made to me by different people about developing programs that would match

representatives of, say, the Italian community with someone else who speaks Italian, senior, so that they could provide that on a volunteer basis or using students. That would also give students a chance to have some work experience in their native or heritage or international language, whatever term you like to use. It would also help I think the caregivers communicate with often the elderly person that is in their charge.

I am not even posing this as a question, but just wanting to see if the Minister would like to make any comments about issues in this area. I am sure this has come up with meetings that she has had with representatives of various communities as well. I know in the constituency it comes up on a regular basis and crossing the spectrum of languages spoken. So it really is challenging to try and tailor it.

There is also then the aspect of trying to target some of those kind of occupations. None of those occupations, I do not think, were on the list that the Minister read—nurses and health care aides and physios, all those kind of helping professions. I guess that is another aspect to this issue, plans in that area, to try and bring people to Manitoba who have that kind of skill and speak a second language, especially in a population that has a fairly high percentage of the population of Manitoba making up that language.

**Ms. Barrett:** The Member raises a very important challenge that is not often thought of because we tend to think—well, I had not thought about it as much as I should have before I became Minister, except when I would be canvassing in various communities and see a number of senior men and women who were in the home during the day watching the grandchildren. It was very obvious that they had virtually no English. Well, they would say they had no English.

\* (15:50)

But you have raised some very interesting ideas about how to deal with that. I think the idea about changing the high-demand occupation list is one. I also like the idea of using students or other people who are here to match volunteers or jobs, paid jobs, with seniors or others who are

here but have not had the opportunity to participate in language training so that they are able to function in society. I take those ideas as good suggestions and see if we cannot think a little more creatively about what we are doing. We are doing some stuff in this area. We have basically two kinds of streams of language. One is the more traditional structured in the school, ESL programs in the school, in private institutions, in colleges and universities and helping co-ordinate and develop adult ESL language training. I know the Member knows from her background you teach adults very differently than you teach kids, young people.

The other area that was more reflective of what she is talking about is the less traditional, less structured kind of language. One of the areas is language and communication in the workplace. So we have programs that help co-ordinate and/or fund workplace ESL. That is operating in the province. Then the community-based language training is really getting to the kinds of issues that the Member is talking about.

We basically form partnerships with community organizations such as libraries, ethnocultural groups and our faith groups. I suppose we could add to that—maybe this is an area to think about adding to it—senior centres and/or seniors housing, although that does not get to a lot of the individuals who are still in single-family homes. But, at any rate, the branch provides support to the ESL teachers in community-based language training to increase their effectiveness and course design, appropriate materials, resources and methodologies. Child minders receive ESL for child care, selected child-care credit courses and support from the child-minding support co-ordinator. This is designed to ultimately help people to become able to participate in the community.

We have three other client groups that we deal with. We have a program ESL for Women, those at home with family responsibilities; Women in Transition, where women are expected to either move into the workforce or they want to go back to school. Often their children are older, so they are now able to think about their future, but their language is still not there. Finally, English for Seniors. This is a program that often works out of Age and

Opportunity centres. The theory is that you are with a group of people that you are comfortable with in a milieu that is comfortable for you. It is easier to do the training there.

Those are some of the things we are doing, but I like some of the suggestions that the Member has made, and I would like to talk more about it in detail and see what we can do. But it would appear to me that we do have a structure that we could fit some stuff into.

**Ms. Cerilli:** I know how important it is and how amazing it is when seniors, in particular, still go back and take English as a Second Language. I know my own grandfather who lived to be 91, my paternal grandfather, went back to school—he must have been 70—and took English as a Second Language so that he could read the newspapers everyday. It is interesting, though, having programs targeted for women because on the other hand my grandmother, his wife, never learned to speak English, spoke only Italian really and could not read or write. So particularly in those generations really is that gender gap.

Another area that is similar is child care. I know how much interest and support there is in bilingual education. Bilingual child care is, I hope, not far behind. Recently, I have been talking to people from the community about recommendations that they have for a multicultural curriculum and for our bilingual education policy, and I am wondering—again, this is just a comment that child care is another area to consider in terms of targeting. We certainly need more child-care workers in Manitoba. I know that a lot of families would love to have their children in bilingual programs. I am not sure if there is—my colleague here could let me know if there is a Filipino child-care centre. There is certainly the population to support a Filipino first-language child-care centre. So that is sort of another area that you can add to the list to explore.

I guess the final area that I will just ask a quick question about has to do with the effect that the head tax has on changing immigration patterns in Manitoba. I know it is something that we were opposed to and I was opposed to. I am wondering what the impact has been on



Manitoba in terms of the effect that it has had either on the decline and the changes in the pattern of immigration, if there has been any research done or analysis, either federally or provincially. Maybe some of the non-governmental agencies that work in this area might have some information.

**Ms. Barrett:** The Member is absolutely correct. We spoke out very vociferously against the head tax and the landing fee. The refugee tax has been lifted just recently, I think maybe in the last federal budget, but the head tax and landing fee for immigrants is still intact. I think the statistical analysis that would have to be done, I think, is to take a look at a trend line over a number of years that would include both prior to and subsequent to the imposition of the landing fee and the processing fee. The total is \$1,475 or something, and (c) if the country of origin of immigrants has changed, because it is very clear that \$1,400 for someone who lives in Grosse Point, Michigan, which is a very wealthy suburb of Detroit where a lot of automobile executives live; \$1,475 Canadian, they would probably spend that in a weekend. It is not a large amount of money. But \$1,475 if you are in Sudan or Bangladesh, Thailand, Laos, Cambodia or the Philippines or the former Yugoslavia or Ukraine is upwards of a year's income or more.

\* (16:00)

Intuitively, I would say, it has had an impact, but I think statistically that is the research that would have to be done, and I do not have access to whether that has been done here or not. We have not seen a lot of changes. What we have seen, I would think, and, again, these would be federal statistics, they not only made changes in adding fees but they took the family reunification and narrowed that down substantially. In a province like Manitoba, that has had an impact, because there would be people who could have come here under the former family reunification policy who no longer can. Again, it is a small province with a good, solid, stable population base with good solid stable communities that could take, I would recommend, even a more broadly defined family than was the case before for provinces like Manitoba.

You need to look culturally, too. The definition of family is very northern European in

its context, and I think that is a real shame. I do not know if we could do that given the governmental structure, but I should think asymmetrical federalism could be operational here.

**Ms. Cerilli:** The reasons the Minister outlined are the very reasons I was asking that question. I would suggest, too, that it would dramatically change the countries of origins. I would be really interested in seeing those kinds of statistics. There have to be agencies out there that are able to do that kind of work. I am sure that the community would be interested in those kinds of questions as well.

I do not believe that we have any further questions on Citizenship and Multiculturalism, and immigration, so we can pass that section and move on to the Fire Commissioner, I believe.

**Ms. Barrett:** As we had agreed yesterday, we would conclude the Multiculturalism section. We brought it in because the critic had other duties in other sections, and then we will revert to the Office of the Fire Commissioner.

I would like to reintroduce at this time Chuck Sanderson from the Office of the Fire Commissioner.

**Mr. Scott Smith (Brandon West):** I have just a few questions regarding the Office of the Fire Commissioner. I know yesterday the Member for Springfield (Mr. Schuler) raised some very good points regarding municipalities and fire service, and some of the views that a lot of people have out there regarding possible incidents that could happen in their municipalities. I believe the Member for Springfield mentioned a few of the areas yesterday, and some of the confusion that a lot of smaller municipalities seem to have regarding that issue.

I know that, with the Fire Commissioner's office, as in the past, they have worked with a lot of the municipalities and smaller municipalities throughout Manitoba, in every region in Manitoba, but some of the comments that the Member opposite had made certainly I was vague on myself as well. In the disaster planning, I know he had mentioned some of the large storage tanks or facilities that were within one of the areas that he is around. I know that, within each

municipality throughout Manitoba, the volunteer fire services are extremely, extremely well trained for the most part, and there is a continual chain of command throughout almost all municipalities, but I have been asked a question on a number of occasions that the Member opposite had asked: Who is responsible if the local fire authority, the chief or the deputy chief is not around, and you have some areas within your municipality or city that are a potential hazard?

I realize that whatever facility that might be—take, for instance, something in Brandon, the Brandon area, say, Simplot chemical, where a lot of the chemicals and a lot of the products are unknown to many of the people, surrounding neighbours and such, most of the time—and I believe all the time. I guess this is one of the questions that I am leading up to: Is that the local authority certainly knows what is in those storage tanks? The placarding of the facilities is usually present but not in all industry. Some of the industry, and I mentioned Shilo and certainly Ayerst chemicals in Brandon, there is a form of urgency on their part to make sure that the general public or the local public does not know what those products might be. The local fire authority, be it the chief or whatever the chain of command terms as the local fire authority, normally knows and I believe certainly has that information.

The incidents in an area, say, he had mentioned an incident of a large scale. If they have a large holding facility, they have to certainly stay within the zoning by-laws of a local community. They have to have guards put up before construction can be done. Some of those have changed over the years and some are in contravention of that.

However, there is a type of grandfathering that has been given to a certain industry to maintain their practice within communities. If in fact something happens and they are not up to the present day standards or code that we have, say, a storage facility with, I am not sure the Member opposite would know the size, whether it be 100 000-litre containers in the berm around it, it would not necessarily hold what the capacity was if in fact the volunteer department

in that area could not handle the incident, this is a second part of my question for the Minister.

\* (16:10)

Most of those areas have a mutual aid district that is responsible for those districts. In fact, if it is a level 1 incident that they can handle or a level 2, which normally will need a backup of a mutual aid district, be it the City of Winnipeg or a neighbouring community that helps them out or if in fact it goes past that and becomes a level 3 or 4, I am not sure what the top level is, where it actually is declared a disaster, I guess the local authority, usually the mayor or the reeve, has the ability to declare that disaster if it is out of their scope.

I am wondering if in fact—that is another question—it is out of scope for that local authority to handle that if someone from the Fire Commissioner's office has the ability to actually declare that as a disaster or as an emergency that is totally out of their control and who actually phones or gets ahold of the EMO, the emergency operations federally in that matter.

I guess I will just ask the Minister if she would like to maybe expand a little bit on, if a disaster was to happen, as the Member opposite had asked and it was out of the ability of the local authority and the mutual aid district was coming in to help, could she just outline, on a critical incident what would be the steps and the procedures through the Fire Commissioner's office to help them address something of major concern to a municipality? That is one of my questions I had for the Minister.

**Ms. Barrett:** I thank the Member for that question. It provides me the opportunity to learn something new. In the event of an emergency, an emergency can be declared, and the Member is very correct, by the reeve or the mayor or the chief administrative officer of a municipality or LGD or the community through the declaring of an emergency, which happens under The Municipal Act. These are rights and responsibilities that are found under The Municipal Act.

The municipality, by declaring the emergency, can call in all available resources

from their own community and surrounding communities if they are in a mutual aid district, as I believe the municipality of East St. Paul is. They could call on the City. They could call on whatever resources were required.

At the same time, they also contact EMO, Emergency Measures Organization, and EMO gets involved in helping them co-ordinate and implement their emergency plan.

If it becomes a provincial disaster, then there is an EMO Act, Emergency Measures Organization Act or Emergency Measures Act, that would come into effect. But in context, even during the flood of the century in 1997, The Emergency Measures Act was not enforced. It was a series of municipal emergencies that were in place. Each municipality is required by law to file with EMO an emergency plan. So the municipality of East St. Paul would be required by law to file with EMO an emergency plan outlining some or all of the potential emergencies that were outlined by the critic the other day. Then, once an emergency was declared, that plan would kick in, and EMO would work with the municipality and other areas in facilitating and co-ordinating that.

So it is quite stringent and quite carefully thought out. Again, it goes back to a concern that was raised by the Member for Springfield (Mr. Schuler) yesterday about the degree of planning and anticipation that had been done. I would hope, for the critics and the residents of East St. Paul, that they would be given some degree of comfort by this requirement.

While I have the floor, I would like to give some information to the Member for Springfield about the tanks that are at the tank farm in East St. Paul. The way I counted, it is about 72 tanks there. So it is a big farm. A couple of the tanks are empty or out of service, but it is approximately 70 or 72 tanks, and they hold a variety of fuel. Some hold gasoline, jet fuel B, jet fuel A, diesel, something called comming-lead, which I do not know, lubricating oil, auto transmission fluid, kerosene, naphtha, iosol, aviation gas, Varsol, and then one final one, slop.

*Mr. Jim Rondeau, Acting Chairperson, in the Chair*

I think I know what that might be. The definition of slop is the mixed product which comes from the operation of their pipelines, so it would be stuff that comes out.

I am happy to table this for the Member. It also has the tank capacity in Imperial gallons and the estimated age in years of the tanks. They are all above ground and they are all steel, so I can table this for the Member. I would like to let him know that we received this after a request to the Department of Conservation. So the Member will have a copy of that very shortly.

**The Acting Chairperson (Mr. Rondeau):** The Member for Brandon East—[interjection] West. Sorry.

\* (16:20)

**Mr. Smith:** Thank you, Mr. Chair. You are close. It is a small community and a fine line. I thank the Minister for the response to that question. In keeping in the same vein, I am just wondering, through to the Minister, the Manitoba Fire college, there is a lot of the training for volunteers throughout the whole Province of Manitoba, in fact, a lot of people from outside of Manitoba now as well. It is very well recognized for the excellent programs, all across Canada, that it does have.

In the incident management, I know, the course that certainly is presented there, in taking that course at the college, I know I got into a lot of the handling of different and transported products between, say, the facility that the Member for Springfield (Mr. Schuler) was speaking about—and lots of times the hazard is not just in the facility itself; it is in the transport, be it by rail or by highway, truck or pipeline or whatever. I know, in some of the training that the Manitoba Fire college presents, that there are some pretty detailed incident disaster plans for local municipalities, and they get into identifying in every area within your municipality what the potential dangers are. In this case, East St. Paul obviously has a potential disaster, but it gets a little larger than that in terms of surrounding areas.

The Member mentioned the possibility of wind drift if something was to happen, if the wind was coming from a certain direction. I know, in some of the disaster plans, fire authorities, certainly the local fire authorities in every municipality, recognize through their mutual aid districts some of the potentials in each other's districts, things that could happen.

As someone mentioned yesterday, you prepare for the worst and hope for the best, and that is certainly true in all emergency services. But many times the incident that could happen with the drift is probably of more importance, certainly to the city of Winnipeg, I would imagine. Someone had mentioned, until the end of June, have a contract there to the end of June, so certainly they must have a well-documented action plan drawn up on that area. I am sure they have given that to the surrounding municipalities to have because the possibility of a large-scale evacuation that could happen obviously from a potential from a site such as that certainly would be a reality that they would have identified.

I just wonder, to the Minister, the fire college, I know, supplies this training and this information at the facility itself, at the fire college in Brandon. There are instructors there specifically dealing with issues like this. The Emergency Measures Organization, I know as well, comes to the fire college itself. A lot of municipalities and a lot of people from municipalities have had the opportunity to come into the college in Brandon and have this training and information giving, and certainly they have been able to have a response team and hazardous materials training done at the college and had the experts in the college available to them when they come to Brandon.

I am wondering, someone from municipalities in and around, whether it be Morden or Winkler or East St. Paul or some of the northern communities and southern communities, if they have the opportunity to have people within the Department provide some of this training or some of these services to their communities without having to come to the fire college, whether staff from the Fire Commissioner's office does any training or any form of training regarding these types of situations or potential situations in terms of both fire suppression and

hazardous materials and the like outside of the fire college, whether there is an opportunity.

The Member had mentioned East St. Paul or be it Springfield or wherever it is around Manitoba if in fact staff does provide training in some forms to the local, and a lot of them volunteer, fire services, on incident handling or incident management, be it small scale or potentially large scale like this.

I know there is some awfully valuable material that needs to be known by local authorities, and certainly when you get into the training at the fire college, you learn that, just by knowing—the Member had mentioned, one was not sure what the materials might be in some of the tanks. If the local authorities know that a placard is a certain number, it is just a matter of phoning Canutech and identifying the placarded number, and you can soon get information instantly on what substance might be in that tank.

But, just to that, some of the training as well in the college provides the synergistic effect of the combination of the number of materials that were listed by the Minister in combination what that might be. I know many departments are not prepared for that, certainly not some of the smaller departments, because the combination is usually out of the scope of a volunteer department because they do not have the computerization and the ability to know what those combined chemicals might be.

The Member opposite brought up an extremely good point that the wind drift—being close to a facility like that, you have to know instantly, certainly the people in the surrounding area should know instantly that if in fact something happens and it is a hazard, they will have to leave that area instantly. It becomes not only the local fire authority but the place in the area, as well. I know the Member opposite never mentioned the place or who else might be involved in that, but I know through Canutech it is.

*Madam Chairperson in the Chair*

But I guess I would just like to ask the Minister if she could provide, if there is in fact

training outside of the Manitoba fire college that can be provided for people in Manitoba to deal with hazards that might happen within their community or if there is training for municipalities and people outside of going to the fire college to get it, if there is staff available for that.

**Ms. Barrett:** Yes, the Manitoba Emergency Services College, as I said a couple of days ago, is certainly renowned in Canada, if not North America, and has a remarkable record of achievement. We are very proud of it. I think it is a great facility. I particularly like the stuff outside the city limits by the airport—the training site, not stuff, the training site. I will get technical here. So I am very proud of the college itself.

But we all know, given that we live in a province with one major centre and several smaller centres and then a number of very small communities throughout a fairly large geographical area, how important it is to ensure that people have access where they live or as close to where they live as possible to training and education. It is vital, as the Member knows firsthand and I am sure stated, that fire departments, volunteer fire departments, people who are going to be the frontline of defence in case of an emergency or a fire or disaster have as high a level of training as they possibly can achieve.

\* (16:30)

But, when you are dealing with a volunteer fire department, you are dealing with people who have jobs, they have lives, they have ties. They often cannot go to Brandon for a year or two or an extended period. So what the Manitoba Emergency Services College has done is they have put in place a Train the Trainer program and this is, as I am told, the envy of Canada, if not North America. This program is designed to provide local communities with trained personnel, personnel that are trained on the weekends in their home communities or very close to their home communities.

The network of trainers that has been trained by Emergency Services College is called fire service instructors, and they are trained generically so that they could provide training to

a Level one firefighter. They also have, each of them has additional training and skills in one or more areas of specialization, hazardous materials or another area of expertise that is required for a good emergency service. They are also trained not only in general firefighting and a particular area or areas of expertise but they are also trained to teach. I know we have all experienced situations where someone knows their subject matter cold but they could not teach it if their life depended upon it. They could not transfer that knowledge they have from themselves to another individual. So it is critical that you not only have trained people but that you have trained people who can pass that training on to others. These trainers are trained in those areas as well.

The trainers are monitored very closely by the fire college personnel. They are required to undergo upgrading regularly and, as I said, they provide this training to firefighters and emergency service personnel under the auspices of the mutual aid districts. There are funding formulas that go back and forth. It is a wonderful program, because it recognizes the geographical and population densities of our province and the challenges that are faced. It also allows communities to have a degree of certainty and comfort that their emergency service personnel have been trained to the highest possible standards.

**Mr. Smith:** I would like to thank the Minister for her response to that question, and to you, Madam Chair. A lot of the facilities in Manitoba, storage facilities I am thinking, not only in Manitoba but throughout Canada—I mentioned one by name a while ago, Simplot chemical, produces a lot of diverse chemicals for farm and agricultural use in Manitoba. It is a big company and they have outlets throughout Manitoba. I know it has been mentioned—a few specifics of areas, holding tanks and such. Simplot chemical, or any industry, be it from out east, where a lot of the chemical comes from—a lot of it comes via rail and now a lot more by truck, I guess. I know with the transport of chemical or product quite often the supplier is responsible for that product. If it gets to East St. Paul and it is stored within the compound at East St. Paul and the number of materials that were listed, that they are ultimately responsible for that leaving, whoever

owns that facility or any other facility in Manitoba. If it is travelling down the road by residential areas or rural areas, wherever, and they have a problem, be it a vehicle accident and the tank is punctured and it is at one of the local trucking firms that is carrying that product, even though that firm may be carrying the product, the ultimate supplier certainly is ultimately responsible for that.

I know that Simplot chemical sends people all throughout Manitoba, North Dakota and quite often down farther into the States because they have a response team, a hazardous materials response team, that got a good deal of their training from Manitoba fire college. In fact, they get called out to a lot of incidents where it is not their responsibility, but they do have expertise in high levels of equipment and materials to help other companies. The supplier quite often is on the hook so to speak for ultimately paying for whatever expertise they require to stabilize the incident and have the incident stable.

I know it is a question that has been asked on numerous occasions, and I am sure the Member from Springfield (Mr. Schuler) has been asked the question as well that if there is an incident in Manitoba, on a Manitoba roadway, highway or private property in Manitoba, the cost for the incident—or certainly the supplier of the product's cost to pick up. But, I just wonder if in fact—it has been a number of years, certainly, since I have been in the fire college in Brandon—whether or not the Manitoba fire college still provides hazardous material training courses for municipalities, local fire services, and if in fact they work in conjunction with suppliers throughout, possibly, the province, and other suppliers of chemical, to complete that course. At one time, that was certainly a large area that was focussed on as part of basic firefighter training. I know the hazardous materials course was taught to people, whether they had their level 1, 2 and 3 firefighting or not. I was just wondering if the Minister could expand or mention to the Committee here whether or not the hazardous materials course is still available at the fire college and throughout Manitoba?

**Ms. Barrett:** Yes, the College does provide training, does provide courses in hazardous materials. There are two levels, one more

general, and the other more specific and more advanced. Suppliers are involved. As a matter of fact, chemical companies, in their recognition that it is in their best interest to ensure that the transportation and the handling of these materials is protected as much as possible, have donated over \$400,000 worth of equipment to enable these courses to be undertaken. The course itself is internationally accredited. There is also available dangerous goods response unit trailer that the College has that can be used. This course is given both in Brandon and throughout the province.

\* (16:40)

**Mr. Smith:** I thank the Minister for the answer to that question. I guess I will just change a little bit. Some of the communities throughout Manitoba I know, as the Member opposite from Springfield had mentioned, have these questions. A lot of people within municipalities and within sparsely populated areas, a lot of them seemed to feel that there is not a plan. Lots of times in just speaking to the local authority, the fire chief or the manager of the municipality, quite often will have the plans of emergency evacuation and such for the community, and if not they can certainly supply them throughout all of Manitoba.

I know sometimes you have to expand the range a little bit. Your municipality might not have it, but I had mentioned before that certainly bordering municipalities do have an action plan. In fact, I am sure that the Fire Commissioner's office makes sure that every action plan—EMO certainly expects that emergency action plans are upheld throughout the whole province of Manitoba.

Just to change the question a little bit, I know in August—I might have my dates out a little bit, but I believe it was August 27, 1996, there was a traumatic day-care fire in Pine Falls, and there was a loss of a life in that fire. There was a young girl, I believe she was two years old, who lost her life in that fire, and the day-care fire safety inspections were certainly to be perused and looked at. I know the Fire Commissioner's office certainly spent a lot of time and energy in that matter. I am not sure where that matter is now, if the Minister knows or has

some information that they could provide regarding not only that terrible fire but where the province is now in terms of the mandate or where the Fire Commissioner's office is in terms of presenting a report.

I just wonder if the Minister has what the background, what the Pine Falls day-care fire was, if she could expand on it, and then I have a follow-up question to that.

**Ms. Barrett:** Yes, that was a very tragic accident that happened. It was August 27, 1996, actually, that Katrina Rae Guimond died at the Three Bears Day Care Centre in Pine Falls, Manitoba.

Subsequent to that, an inquest was called and Judge John Guy, Provincial Court, was charged with the inquest. On April 12 of this year, the inquest report was delivered to the Office of the Fire Commissioner.

The mandate of the Chief Medical Examiner, who was involved with the inquest, was to determine the circumstances surrounding the death of Katrina Rae Guimond on August 27, 1996, at the Three Bears Day Care Centre in Pine Falls, Manitoba to determine whether there was compliance with existing fire-safety standards, including any orders made by inspectors from the Office of the Fire Commissioner; to determine whether there was compliance with existing standards for the licensing operation and maintenance of day-care facilities; to determine the responsibilities of elected boards of day-care centres with respect to the safe operation and maintenance of such centres, particularly those in rented facilities; to determine what, if anything, can be done to prevent similar deaths from occurring in the future especially as it relates to standards for day-care centres and other facilities where children's groups and/or clubs meet regularly, and to examine other issues relevant to the death of Katrina Rae Guimond.

So in other words, a very broadly defined terms of reference and mandate for this inquest, as it should have been. It is critical for us as a society to not only to bring closure to the family of Katrina Rae Guimond as to what actually happened, the people who were involved in that

accident, the fire office, the staff and families of the day-care centre and other day-care centres, that personal closure that is required, but also—it sounds trite but I think there is an element of reality to it—her death could possibly lead to something good happening. That is the other part of this inquest, to try and determine what happened to her, what happened in that situation, and then to come up with recommendations that say this cannot ever happen again. Here is what could have been done better. Here is what was done, and let us see who should be held responsible for ensuring that the situation does not arise again that led to this tragic death.

So out of that incident—I hate the word "incident." That trivializes it so much. But out of that terrible accident were 14 recommendations that came about and with primary responsibility initiated and proposed action plan. The Fire Commissioner's office as the lead here has done some very good work in determining what should happen.

I would like to spend just a couple of minutes outlining this because I think it is important for people to know what has come about. The first recommendation was dealing with the proximity of day cares to dangerous situations. As we know, many day cares in the province of Manitoba are in very different sites. Some of them are in church basements. Some of them are in second or third floors of churches or other facilities. Some of them are in stand-alone. Some of them are next to schools. Some of them are in homes. So it is a very critical element here.

When we look at the proximity of day cares to dangerous situations, it is important to know who has again primary responsibility. The primary responsibility should rest with the local fire authority and the day-care office. So there is a local authority, the people in the local community who know their community, need to have hands-on responsibility and need to recognize that they have that responsibility.

The second thing is because day cares are licensed or are the responsibility of the Government, there also needs to be a provincial element here. So the provincial day-care office also has a responsibility here to ensure that what needs to

be undertaken to identify the proximity to dangerous situations and then to ameliorate them is critical.

The Office of the Fire Commissioner will act in an advisory capacity to any local official who questions the proximity of a day care to a dangerous situation. The Office of the Fire Commissioner has a number of responsibilities and roles to play in a wide variety of areas. They have enormously broad-ranging responsibilities. But much of what they do is advisory in nature. There are not huge numbers of people in this area, so they need to go out and they need to work with communities, but communities and the Province must take these responsibilities.

\* (16:50)

The second recommendation is that there should be annual fire inspections for all day cares, absolutely critical. Again, the primary responsibility for those inspections would be the local fire authority. This is critical because, again, the local fire authority knows the situation. They know their communities. They know the buildings in their communities. The action by the Fire Commissioner's office will be to continue to provide assistance to local fire authorities in doing the inspections. OFC provides accredited fire inspection training in the distance education mode, part of this training that we have talked about earlier where the Fire Commissioner's staff will go out and work locally with communities. This fire inspection training is provided free of charge to municipal fire officials. We want to ensure that the local fire officials know that they have this responsibility and know that the training is there.

A critical factor in many, many crises is the knowledge or the lack of knowledge of the line of authority, the chain of command. I think in some of the cases in this instance it was raised that not always do we know who is responsible for what and under what circumstances. So this is a critical thing we have to do as a government and in working in conjunction with the Fire Commissioner's office and local authorities. Recognize everyone knows who is responsible, so that there is none of this back and forth, pointing fingers. In a crisis you have to act and you have to know. In order to prevent a crisis

wherever possible, you also need to know who is in charge of what portion.

The third recommendation is that the Office of the Fire Commissioner initiate discussions with Intergovernmental Affairs, the Association of Manitoba Municipalities and Child Day Care out of Family Services regarding the adequacy of fire protection systems in licensed day cares. Again, we have to have annual fire inspections, but we really do need to ensure that there is fire protection systems in these day cares. We often do a better job of fire protection of businesses and things than we do of our children.

The Office of the Fire Commissioner would have primary responsibility, and what they are going to do is, again, work with the AMM through annual and district meetings, through any other kinds of meetings and get-togethers of whoever wants to come and talk, and the Manitoba Association of Fire Chiefs working with them as well. So, again, it is a connection and a liaison activity.

*Ms. Marianne Cerilli, Acting Chairperson, in the Chair*

The fourth recommendation is that the Office of the Fire Commissioner should initiate discussions at the national level to discuss issues of smoke detectors in every room utilized by and/or adjacent to day cares; the need for sprinklers, fire walls, smoke barriers, et cetera. Again, this is another element of fire codes, building codes, that kind of thing. So the Manitoba Fire Commissioner is on the Executive of the Canadian Commission on Building and Fire Codes, and he, through that connection, will begin to address this issue. The Deputy Fire Commissioner is on the provincial and territorial commission on building standards and will work through this committee to address these issues. Manitoba will make recommendations to the National Research Council for inclusions and changes to the National Building and Fire codes in relation to licensed day cares.

The National Research Council is being utilized more and more in setting national standards against which provincial standards will be measured to facilitate across the country similarity of standards, standardized standards, if



you will. So we are connected to all of these organizations and will bring these issues to those groups. The Office of the Fire Commissioner should include licensed day cares on their mailing list for educational purposes. The list of day cares has been requested and will then be put on the mailing list for course calendars and other material that would appear to have relevance to licensed day cares; again, that education component.

The sixth recommendation is that the Office of the Fire Commissioner and the Child Day Care division of the Department of Family Services consult regarding training relative to emergency evaluation procedures and other fire safety concerns. Again, we can have safe annual inspections, we can have safe physical buildings but if we do not have trained personnel who know what to do in an emergency, then all of those aforementioned positive things will be for not. The Office of the Fire Commissioner has training programs available and will offer them to day cares through the good offices of the Child Day Care.

The seventh recommendation is that the Office of the Fire Commissioner and Child Day Care will consult on raising fire safety standards for day cares above fire code requirements. This consultation process is under way with Child Day Care and the City of Winnipeg Fire Department.

The eighth recommendation is that day cares provide updated floor plans to local fire authorities. The Office of the Fire Commissioner will advise local fire officials that they should be receiving these plans from day cares, and if they have not, to ask for them. This again is critical so that the local fire authorities know the floor plans, and that the day cares are aware of any possible problems with egress from a facility.

The ninth recommendation is that day cares develop emergency evacuation plans in conjunction with local fire authorities. Again, this makes sense. Every single one of these recommendations is just common sense. The Office of the Fire Commissioner will work with local fire authorities. Local fire authorities will participate in fire drills. Educational child-care programs provide information regarding fire

safety to the child-care workers, so that child-care workers can have more understanding of these issues. Board members be trained, with respect to their role, in regard to fire safety issues, because board members are those responsible for the operation of the day care, and they need to be aware of what is happening here. Mandatory dismissal if an employee is smoking on the premises, absolutely critical. And board members to encourage staff to bring fire safety issues to their attention.

So these are the 14 recommendations that are in Judge Guy's report with regard to the inquest. I am glad that the Member for Brandon West (Mr. Smith) raised these issues here in the Estimates. It is a good thing that there were some members of the Government side prepared to ask good substantive questions on these and other important issues, otherwise we would have gone through hours and hours of Estimates in Labour with virtually no content of any substance at all.

**Mr. Smith:** I appreciate the Minister's response on that. It certainly is an important issue. I just wonder, through you, Madam Chair, to the Minister, if it would be possible to get a copy of those recommendations. I guess we have them on Hansard now, but if we could basically get a copy of that report.

Just on Judge Guy's report, just one quick question and maybe the Minister could answer for me. In Judge Guy's report, is there anywhere where he specifies or puts in his report whether or not the building and fire codes were met at that facility during that fire? If that was tabled in Judge Guy's report to clarify whether, in fact, just that piece of it in his report anywhere, whether or not he touched on whether in fact the fire codes were met, such as alarms and extinguishers, in that facility.

\* (17:00)

**Ms. Barrett:** Yes. There is a section in the inquest report that deals with compliance with fire safety standards. Briefly, to answer the Member's questions, yes, the basic fire safety standards in this day care were met.

**Mr. Daryl Reid (Transcona):** I have, along with my colleagues, some concerns related to this issue. When I had been the critic for Labour in a past life, I had the opportunity to ask questions relating to this day-care fire. At the time, I know that the former government refused to answer any of these questions and there was some concern that we had that the Fire Commissioner's office had undertaken an inspection of that particular day care where Katrina Rae Guimond unfortunately lost her very young life.

In those circumstances, we were advised by people that had worked internally to the departmental operations just prior to that fire around the time it happened, have subsequently left the department, had advised us that an inspection had been undertaken, but in fact there has been no follow-up inspection of that particular premise. That was the concern that I had raised at that time.

You can check back in Hansard for that as well. I am wondering, is it a practice of the Department to do follow-up inspections where you are contracted for that particular service whether it be by day care or other facilities? If you can advise me whether or not that does occur presently.

**Ms. Barrett:** To be brief about this answer which is a very complicated situation, the Office of the Fire Commissioner is not required to do day care inspections. They were doing them on request of individual day cares and the child day-care office—[interjection]

Yes. As I said earlier, the Three Bears Child Day Care was in compliance with all the fire code requirements at the time of the fire.

**Mr. Reid:** I will not prolong the debate. I know my colleague the Member for Brandon West has put our concerns on the record with respect to that particular fire and the subsequent report of the inquest.

There is some concern that I have. I know in my own community of Transcona we have a number of day cares in a variety of different facilities. It is still a concern of mine for day cares that would be in the basements of any

particular structure. Quite often they can be in the basement of a church, for example, and I am still concerned that that practice is occurring. I am not 100 percent certain how you solve that other than to perhaps grandparent the existing facilities and the existing day-care operations but in some way to protect these young children, to in some way limit, restrict or prevent further expansion of day cares into basements of facilities so that we do not put at risk the young children. In some cases, I have seen day cares where there is only one exit from those particular basement areas which the children are occupying as part of the day care operations, and that causes me further concerns.

So I just leave this caution with the Minister that perhaps the Fire Commissioner's office may want to, in conjunction with the Department of Family Services, look at a policy that would add further protections for these young children that are in day cares, other than ground-floor facilities, to prevent fires such as this Three Bears Day Care fire that occurred which was in a basement facility.

I know just one last point I wanted to make, Madam Chair, was the comment that had been made earlier by the Member for Springfield (Mr. Schuler) referencing a minimum wage report or comments that had been made, I believe it was last year, during the Estimates process. The Member has attributed certain comments to myself indicating that the minimum wage should be a value considerably higher than what I had espoused over a number of years, and I know knowledge is important, but a little bit of knowledge can be a dangerous thing, especially when it is held by the Member for Springfield. I would expect that there would be a correction on the record with respect to the comments that had been made by the Member for Springfield because the figures that he is referencing were ones that were drawn directly out of a report and were not attributable to myself.

I had always indicated that the minimum wage, if we had kept up pace with the cost of living in this province, should, at that time, have been \$6.19 an hour, and those were the figures that I had used. The \$16 were attributable to another report, and I have copies of the Hansard here with me. I know the Member would want to

correct the record, and I will just leave those comments on the record, Madam Chair, indicating that at that time the Member for Springfield had of course only interpreted to suit his own political interests at that time.

**Ms. Barrett:** I will very briefly respond to the Member's question, and, yes, the Office of the Fire Commissioner is working with the child day cares on all of these issues as well as the national standards or organizations to try to address these very critical, critical issues.

**The Acting Chairperson (Ms. Cerilli):** Are there any other questions from the Committee?

Item 11.1. Labour Executive (b) Executive Support (1) Salaries and Employee Benefits \$500,100. Shall the item pass?

**An Honourable Member:** Hold it. I do not agree to that. Where are we in the budget book?

**The Acting Chairperson (Ms. Cerilli):** We are on page 129.

**Mr. Schuler:** Are we currently on Executive Support?

**The Acting Chairperson (Ms. Cerilli):** Yes, we are.

11.1.(b)(1)–pass; (2) Other Expenditures \$79,700–pass.

Resolution 11.2.: RESOLVED that there be granted to Her Majesty a sum not exceeding \$13,760,000 for Labour Programs. Shall the resolution pass?

**Some Honourable Members:** Pass.

**The Acting Chairperson (Ms. Cerilli):** Item 11.2. Labour Programs (a) Management Services (1) Salaries and Employee Benefits \$1,052,300–pass; (2) Other Expenditures \$318,400–pass.

11.2.(b) Mechanical and Engineering (1) Salaries and Employee Benefits \$1,678,500–pass; (2) Other Expenditures \$473,000–pass.

11.2.(c) Conciliation, Mediation and Pay Equity Services (1) Salaries and Employee

Benefits \$377,800–pass; (2) Other Expenditures \$95,300–pass.

11.2.(d) Pension Commission (1) Salaries and Employee Benefits \$278,000–pass; (2) Other Expenditures \$90,000–pass.

\* (17:10)

11.2.(e) Manitoba Labour Board (1) Salaries and Employee Benefits \$848,700–pass; (2) Other Expenditures \$282,300–pass.

11.2.(f) Workplace Safety and Health (1) Salaries and Employee Benefits \$2,966,800–pass; (2) Other Expenditures \$842,200–pass.

11.2.(g) Occupational Health (1) Salaries and Employee Benefits \$235,700–pass; (2) Other Expenditures \$39,800–pass.

11.2.(h) Mines Inspection (1) Salaries and Employee Benefits \$585,400–pass; (2) Other Expenditures \$223,000–pass.

11.2.(j) Employment Standards (1) Salaries and Employee Benefits \$1,988,300–pass; (2) Other Expenditures \$635,000–pass.

11.2.(k) Worker Advisor Office (1) Salaries and Employee Benefits \$583,500–pass; (2) Other Expenditures \$166,000–pass.

11.2.(m) Office of the Fire Commissioner.

Resolution 11.3: RESOLVED that there be granted to Her Majesty a sum not exceeding \$8,363,300 for Labour, Citizenship and Multiculturalism, (for the fiscal year ending the 31st day of March, 2001). Shall the resolution pass?

**Some Honourable Members:** Pass.

**The Acting Chairperson (Ms. Cerilli):** The resolution is accordingly passed.

11.3. Citizenship and Multiculturalism (a) Citizenship (1) Salaries and Employee Benefits \$1,737,200–pass; (2) Other Expenditures \$846,600–pass; (3) Financial Assistance and Grants \$5,590,100.

11.3.(b) Multiculturalism Secretariat (1) Salaries and Employee Benefits \$35,200—pass; (2) Other Expenditures \$27,500—pass.

11.3.(c) Multicultural Grants Advisory Council \$126,700—pass.

We need to make a correction for the record, because we did two of the resolutions in the wrong order.

Resolution 11.2.: RESOLVED that there be granted to Her Majesty a sum not exceeding \$13,760,000 for Labour, Labour Programs, (for the fiscal year ending the 31st day of March, 2001).

*Resolution agreed to.*

Resolution 11.3.: RESOLVED that there be granted to Her Majesty a sum not exceeding \$8,363,300 for Labour, Citizenship and Multiculturalism, (for the fiscal year ending the 31st day of March, 2001).

*Resolution agreed to.*

Resolution 11.4.: RESOLVED that there be granted to Her Majesty a sum not exceeding \$407,800 for Labour, Amortization of Capital Assets, (for the fiscal year ending the 31st day of March, 2001).

*Resolution agreed to.*

The last item to be considered for the Estimates of the Department of Labour is item 11.1. Labour Executive (a) Minister's Salary \$27,300.

At this point we request that the Minister's staff leave the table for consideration of this item.

Shall the item pass?

**Some Honourable Members:** Yes.

**Some Honourable Members:** No.

**Mr. Schuler:** No, we do not support the passing of the Minister's Salary.

**The Acting Chairperson (Ms. Cerilli):** Shall the item pass?

**Some Honourable Members:** No.

**Some Honourable Members:** Yes.

#### Voice Vote

**The Acting Chairperson (Ms. Cerilli):** All those in favour, please say yea.

**Some Honourable Members:** Yea.

**The Acting Chairperson (Ms. Cerilli):** All those opposed, please say nay.

**Some Honourable Members:** Nay.

**The Acting Chairperson (Ms. Cerilli):** In my opinion, the Yeas have it.

**Mr. Schuler:** Call for Yeas and Nays.

**The Acting Chairperson (Ms. Cerilli):** Are there two members requesting a formal vote?

**An Honourable Member:** Yes.

#### Formal Vote

**The Acting Chairperson (Ms. Cerilli):** A formal vote has been requested by two members. This section of the Committee will now proceed to the Chamber for a formal vote.

*The Committee recessed at 5:19 p.m.*

*The Committee resumed at 6:10 p.m.*

**The Acting Chairperson (Ms. Cerilli):** The hour being 6:10 p.m., Committee shall rise.

#### AGRICULTURE AND FOOD

\* (14:50)

**Mr. Chairperson (Conrad Santos):** Would the Committee of Supply please come to order. This section of the Committee of Supply has been dealing with the Estimates of the Department of

Agriculture and Food. Would the Minister's staff please enter the Chamber.

We are on page 28 of the Estimates book.

Resolution 3.4. Agricultural Development and Marketing (d) Soils and Crops (1) Salaries and Employee Benefits \$2,924,000. Shall the item pass?

**Mr. Jack Penner (Emerson):** I think we were yesterday in the middle of a discussion on irrigation and the irrigation projects, and I would like to continue there today. There are, as we have heard many times in the past, tremendous opportunities, I think, in specialty crops and economic development industrial expansion in many parts of rural Manitoba. Many of them will depend on our ability to provide water to either towns, villages, or regions, whether it is for industrial use, for domestic use, or for irrigation purposes.

I believe the Province of Manitoba, some 10, 12 years ago, did an analysis of what opportunities were there, whether they were on the Souris River or the Assiniboine River, further dam structures on the Assiniboine, or the Souris, Pipestone Creek, and the Pembina River. One of the studies that had been done previously by the Army Corps of Engineers, in the U.S., was on the Pembina. It was determined at that time, some 20 years ago, by the Army Corps of Engineers, that the cost benefits would not be sufficient enough to warrant construction of two dam sites on the Pembina.

Since then, however, Mr. Chairman, the potato industry has had a very significant development in that area. We have spent millions of dollars building ponds and structures. Those ponds and structures, of course, need a spring water flow in order to recharge those ponds for irrigation water opportunity. I have had significant discussions over the past 10 months with officials from North Dakota. Many of the officials now, including the county of Cavalier and Pembina County conservation officials and the politicians in North Dakota, have indicated a real interest in pursuing the Pembilier development. They believe that there has been significant expansion and interest in the expansion of vegetable production and other

specialty crops production, significant interest expressed in developing industries on that side. The southern part of Manitoba has clearly demonstrated a need for more water. I think the aquifer at Winkler is in severe stress, even in the best years, because of the amount of water being extracted by the town of Winkler and some of the irrigators.

The reason I want to ask this question is that I am wondering whether the Department of Agriculture and the Minister of Agriculture have given any thought to approaching the Americans in North Dakota, and maybe even the federal jurisdiction in the U.S., and asking whether they would do another analysis, or whether they would be interested in doing a joint analysis of the potential on the Pembina for drought proofing purposes, as well as flood protection purposes, realizing full well that the major floods, or the dams on the Pembina would have very little effect on mitigating the major floods. But we do have far smaller floods on the Pembina River in that region than we have larger ones. We have far more severe effects of drought effects in that area, and the possibility of towns such as Winkler and Morden ending up with no water, overdrawing the aquifer at Winkler, in any given year, and drawing salt in the aquifer, which would destroy it forever, and nobody knows where the water supply would then come from.

So I think there is a tremendous opportunity if there was joint action taken. There is real interest on the North Dakota side that was very evident this past week when we met with the legislators from North Dakota. I wonder whether the Minister can give an indication whether she has had any indication from them or whether she is going to take the initiative and ask them whether they might have that interest.

**Hon. Rosann Wowchuk (Minister of Agriculture and Food):** The specific question about whether or not my department has had any discussions with North Dakota, with respect to this Pembina proposal that the Member talks about, no, there has been no discussion. I have to tell the Member that there have been a lot of discussions between—and I would go back, Mr. Chairman, and say that if those discussions were going to take place with another country, the

federal government would be involved but also it would be more the Department of Conservation that would be involved in it. Our department has had a lot of discussion with the Department of Conservation on all of the issues that the Member has raised, and certainly the importance of water, not only for agriculture purposes but for human consumption, for recreational purposes, and all of those issues. So the issue of water covers many departments.

With any proposal, you have to look at the needs and the possible benefits in having control structures put up, and what other things can be tied to it as well as the benefits for agriculture. So, all of those things have to be taken into consideration, the cost of it, the benefits, and I certainly recognize that there is a need for a constant water supply. I recognize the concerns about the Winkler aquifer and the tremendous amount of pressure that is on that aquifer, and the need for a steady water supply. We are discussing these issues with the Department of Conservation, and with other departments, to look at what would be the best long-term plan to ensure that there is a supply of water for agriculture but also for human consumption as well as recreational purposes.

**Mr. Jack Penner:** I hope that the Minister will realize how important it is for the Department of Agriculture to be involved. If she has no intention of, or if she is saying that it is only the Department of resources and that she is discussing with them, I would hope that the Minister would recognize the absolute economic advantage and benefit that can be derived by taking these kinds of initiatives. I would be absolutely surprised that the Department of Agriculture and the Minister of Agriculture would allow those negotiations and discussions to take place without her and her department being involved. I would strongly encourage her to have some discussions with her North Dakota counterparts to find out what kind of interest is really there and to find out what kind of mutual benefits agriculture could have on both sides of the border in this regard.

Irrigation, we know that some of the companies want to expand the potato industry fairly significantly in this province, yet they will not do so if there is not an absolute assurance of

water supply for irrigation purposes. The Pembina River can deliver enough water without pumping, if it is done right. If you build a dam right on the U.S.-Canada border, build another one at Walhalla, then design a structure that will allow a flow of water to continue when the levels drop at one end, you can gravity-flow water out of Walhalla right into the Winkler-Morden area without any long-term cost included. It can be done via some significant piping. It is not that great a distance. The initial construction cost might be somewhat significant but the long-term benefit would be huge and would give the towns of Winkler, Morden, Altona a completely different supply of water than the Red River delivers today.

We have seen in 1988 when the Red River runs dry and virtually stops flowing what can happen had we not been able to go to Minnesota that year and ask Minnesota to open their gates on the reservoirs that they had built many years ago. That Red River would not have been able to deliver enough water even for the town of Letellier and St. Jean to have water, let alone all the other communities that are now dependent on water from that river.

\*(15:00)

So it is absolutely imperative that some of these retention structures be built, let alone even outside of the requirements for irrigation. There is a tremendous potential there, and I would strongly encourage the Minister to take the initiative and impress upon her department that the need for sincere consideration of those kinds of projects, and indeed encourage her Treasury Board and Finance Minister to set aside some significant amounts of money. I think if her government would set aside some \$300 million in the province of Manitoba in conjunction with the federal government, we could build six dams in this province that would virtually drought-proof all of southern Manitoba. That is where we need to go.

The Minister sits there and smiles, chuckles at this. I do not know what her department thinks about this. Quite frankly, I know that her department fully realizes the huge opportunities and potential and that we must make those kinds of investment. It is unfortunate that I see the

almost half a billion dollars of increased revenues that this government inherited from the previous government this year being spent without regard for the real issues, and that is the economic impact of proper development.

I only encourage her to keep that in mind and keep in mind what tremendous opportunities we have in much of southern Manitoba if we only allow ourselves to build the structures that will supply long-term water.

The former Minister of Agriculture is sitting here, and I know that he had some questions the other day. I wonder if you would want to ask those questions now regarding the livestock industry.

**An Honourable Member:** Later on.

**Mr. Jack Penner:** Later on, okay.

**Ms. Wowchuk:** I think the Member is indicating that he wants to move on, but I just want to respond to his comments. He indicated on the record that I was chuckling about this particular issue. In fact, I was chucking about something very different that happened with the page. I just want to inform the record it was an incident that was happening here when I was talking to the page. That was the issue, what I was chuckling about.

Mr. Chairman, I take this matter very seriously, and I indicated to the Member yesterday that we have been doing a lot of work, recognizing the importance of having a stable water supply so that our vegetable industry and other crops can have the kind of water that is needed for their growth. We had extended the surface water irrigation initiative. I have indicated that there are preliminary discussions that have begun to talk about how this program can be continued. Certainly, if there is a way to work with the U.S. to do some water retention, that is something we could consider. But that is beyond the scope of this department. This department is part of the discussions, but when you are talking about international waters, there has to be discussion with the federal government. There has to be discussion with the Department of Conservation.

I have to tell the Member also, I have had discussions with my counterparts across the border and we will be having further discussions with them in the very near future as we plan for the next Northern Plains Conference. At that time we talk about many issues. This certainly might be one of the issues that we can talk about, but it is a much bigger issue than can be dealt with by the Department of Agriculture. That does not mean we are not interested. We definitely see that there is a tremendous opportunity. We know that there is more interest. When you look at the growth of the potato industry and the market for potatoes, we hope that Manitoba can take advantage of those. We are the second highest producer of potatoes in the country. Our goal is to surpass that and reach No. 1. For that to happen there has to be water. We are in discussions and looking at how we can ensure long-term sustainability.

**Mr. Jack Penner:** I would encourage the Minister to have those meetings early on with her counterparts in North Dakota as well as the federal government to see whether there is a receptive mood there which I think is significantly different than there was a few years ago. I would not be at all surprised that the political powers to be in North Dakota would encourage their army corps of engineers to write a different report this time around than they had last time. I would suspect that the International Joint Commission might also make some comment on this, on the feasibility and possibility of these ventures.

I want to move on to some of the other areas in Soils and Crops. I note that the office or the operation has been moved to Carman. I think that is a good move. I believe that the Department will get a better feel for some of these specialty crops areas that are possible. I think the Carman area is probably one of the better sites in the province to do research and those kinds of things. I would think that some of the initiatives, possible joint ventures through the Department, and some of the industries and associations in the province are already starting to bear fruit.

I must commend Barry Todd for the excellent job that I think he and his staff have done in the past working with organizations, whether it be the pulse growers or the sunflower

growers, potato growers and all the other varieties of crops that are grown, including soy beans. I note that it has been somewhat difficult from time to time to get Manitoba Crop Insurance to recognize the feasibility and/or ability of growing crops in the area that has traditionally not grown crops. Soy beans I guess is one of those crops where it has been a bit slow in getting Crop Insurance to recognize that there are areas that have never grown these crops before where you can quite reasonably expect to see crops such as soy beans mature.

Maybe we should have discussed some of this under Crop Insurance the other day, but I see it mentioned in the Soils and Crops area here, that we have moved into the eastern part of Risk Area 12 and are now insuring soy beans in that area. When I looked at the paper that I had asked for a month ago from the Minister in regard to the differences, I wanted to do the comparisons between Ontario and all the other provinces. I think the Minister did not hear me well enough or somebody did not hear me well enough when I asked for the information a month ago. I asked for all the crop insurance information from all the provinces, that I could do a proper comparison of the participation of the federal government in all the provinces, whether it be from Newfoundland right through to British Columbia, because I think it is important that we and the farm group in this province recognize how poorly they are treated compared to some of the other provinces.

\* (15:10)

When I look at some of the numbers the Minister gave me yesterday, I believe it was, and I compare them with the coverage levels that we get per dollar, I think it is absolutely deplorable. When I look around today, when I see our areas, whether it is the Interlake or areas just south of the city of Winnipeg now, and many other parts of the province, when I see the huge amount of water sitting in the fields and I see the amount of money that our farmers have spent on putting those crops in the ground, and when I compare those costs with Ontario costs, and I look at the levels of coverage—she used the specific of coloured beans—and I get a 5 to 1 differentiation in coverage levels from Manitoba to Ontario at a cost that is just a bit better than a dollar an acre

more in Ontario compared to Manitoba, and when I cost into that then the additional freight that it costs Manitoba producers to get their beans to market, exactly where those Ontario beans will end up, in the same marketplace, at 2 cents a pound less per freight cost, then I have to wonder what form of figures we used to bring to the negotiation tables on our negotiations on programs that will give some security, such as crop insurance, to our farmers.

We have talked long and we have talked hard. Our minister has constantly talked about bettering the safety nets. And yet, under this last round of negotiations, we fared much poorer than any of the other provinces did in our negotiations. I am wondering what kinds of numbers we took to Ottawa to demonstrate our costs of production and our dollar values compared to theirs, because when I look at their coverage levels and their yields, on average, you know our yields in southern Manitoba on coloured beans are virtually exactly the same as Ontario's, and yet our coverage levels are \$160 an acre and theirs are almost \$400 an acre.

I cannot conceivably see that a federal government would be able to justify underwriting a program such as this. I cannot conceivably see how our minister would have agreed to sign a safety net program such as that. I cannot understand it. I cannot stress this enough that our farmers in this province are being poorly, poorly treated, comparatively, and the safety nets we have in our province are horrible compared to some of the others. I think it is time that we took that position back to Ottawa and renegotiated our safety nets before the year is over, because when I look at the huge damages that I see now, there is a stink that is starting to arise now. If we get a few warm days out there south of the city, you watch the smell out there. You can already smell it when you are coming down No. 3 Highway. I know that the director of Soils and Crops comes in through that area into the city. I am sure he can verify what I am saying. The stink will be much higher once we get a few more days. The damages will be huge. Yet these producers will get less than half of the crop insurance coverage that we get in Ontario. I think that is simply not acceptable, Madam Minister.



I cannot be vehement enough about this, because I think we were betrayed, and I think the farmers of this province were betrayed. I think it is time that we fixed the problem and recognize that our farmers should have the same rights to insurance coverages that other provinces do.

I ask the Minister once again to supply me with the numbers of all the provinces on all the commodities that we grow that are insured. I want those crop insurance numbers. If I have to go to Ottawa myself, I will go to Ottawa myself to impress upon the departmental people and the politicians in Ottawa how badly we are done by in Manitoba.

**Ms. Wowchuk:** That was a very encouraging speech, and the Member is raising some good points. The discrepancy in coverages between Manitoba and Ontario are of grave concern. But I want to let the Member know there is nothing different in the numbers here today than there was when he was in government. Nothing has changed in the last eight months.

**An Honourable Member:** Yes, it was \$10 million less.

**Ms. Wowchuk:** Mr. Chairman, the Member talks about \$10 million less.

**Mr. Chairperson:** Order, please.

**Ms. Wowchuk:** I do not think the Member has been listening very well at all, in all these hours we have been in Estimates, because what I have been telling him is that, had we gone with the original agreement, we would have been \$10 million short, but because we held out and insisted that Manitoba and Saskatchewan not have a loss, we are being maintained at the level that we were previously. So there is no loss of \$10 million. We negotiated that to ensure that we were maintained at that level.

But it is still unfair what happened, because all of the other provinces got an increase, and we were maintained at our level. We could have been a lot worse off, but the other provinces are now going to be able to offer richer programs. That is as a result of moving to a system of basing the formula on cash receipts instead of risk, as the formula was before. This process to

move to that change started under his government. That is where this all began.

I can tell the Member that we had raised this issue in Ottawa. We have raised it with Ontario. We have raised it with Alberta and British Columbia and all of the other provinces, but the gang of eight chose to move towards a system of paying for safety nets based on cash receipts, and the federal government chose to support them. So now we have federal dollars along with provincial dollars from provinces that have a much larger agriculture base than we do being able to offer richer safety net programs because of a change in formula. Unfortunately, when we raised this with the federal government, they chose to side with the gang of eight.

**Mr. Jack Penner:** You know, when I look at just the one-pager that the Minister gave me yesterday on Ontario and Manitoba, the comparisons, and the premium rates of 80 percent, red spring wheat, Ontario, we know that we can grow better and more bushels an acre of red spring wheat on average than Ontario can. There is no argument about that. Yet their coverage is 31.35 in Ontario, and ours is 25.71 in Manitoba. Why? The crop insurance coverage level, winter wheat, theirs is 50.65 and ours is 22.93. I have never seen a crop of winter wheat produced in Manitoba at 22 bushels. Last year the average yield of winter wheat, and ask your staff, I think they will verify this, in our area was better than 70 bushels an acre last year. There were some yields of around a hundred bushels an acre. Yet our coverage level is 22? I cannot believe this.

The second one is canola, 23 bushels an acre crop insurance coverage and 19 bushels in Manitoba? An average of 19 bushels? If we do not get a 25-bushel crop of canola, we have a disaster on our hands.

Grain corn in Ontario, probably yields are 93.5 and ours are 55 on grain corn. If we could not grow more than 55 bushels an acre on grain corn, we would never grow an acre of corn. Similarly, soy beans. I mean, at 31 bushels in Ontario, and almost 22 bushels an acre in Manitoba. I am not going to argue that that 10-bushel differentiation in soy bean is not there.

\* (15:20)

However, some of the others are just way off track. The average yield of white pea beans in the province last year was over 1300 pounds an acre, and yet Manitoba's identified yield is 908 pounds. Other colour beans are relatively the same. I do not understand those differentiations, and I do not know where they are coming from.

Then I look at the dollar coverages in Ontario compared to Manitoba. Spring wheat is covered in Ontario at \$140 an acre; Manitoba's coverage is \$91. Why? It costs us more to get our wheat to that market than it costs Ontario. Why is our coverage lower? Is our price that much lower in this province. Our yields sure are not. Winter wheat, \$151 an acre coverage for winter wheat; ours is \$64.20.

I mean, I think this is despicable, absolutely despicable that we have these kinds of rate differences. And then look at the percentage of rate in Ontario compared to Manitoba for coverage on these. It takes 6.4 percent of coverage to make the premium rate in Ontario on winter wheat and 17.1 percent in Manitoba. For white pea beans, 9.4 percent in Ontario; 20.4 percent in Manitoba, at a much lesser rate of coverage.

I cannot believe these numbers: \$324 an acre white pea bean coverage in Ontario; \$208 in Manitoba. Our premiums are 20 percent; theirs are 9.48 percent, on almost double the coverage level at less than half the cost.

How can we agree to a program such as this? How can our province agree to something like this? I quite frankly do not care, Madam Minister, whether it was the previous government or the previous, previous government. This is simply not acceptable to my farmers.

**Ms. Wowchuk:** I can understand the Member's frustration, but those same kinds of coverages apply for people across the province. But I tell the Member, nothing has changed. This is the program that has been in place under his administration. I hope that he raised these kinds of issues. They had been in government for 11 years. Surely to goodness he must have had access to these numbers through his government over all these years and it should have been raised. I mean, we have the former Minister of

Agriculture, right here. I am sure he would have had enough interest to stand up for his producers to get this kind of information. He should not have had to come to opposition, after being in government for over 11 years. I think that he should have apprised himself of the facts and not have to get all hysterical today about this information that I finally provided for him. But, Mr. Chairman, it is a serious matter.

I have to tell him that I have concerns about the coverage that we have in comparison to in Ontario. Ontario has a larger agriculture base, and they have the ability to top up programs that we do not have here in Manitoba. And now that there has been a change in formula, Ontario is going to have more money, Alberta is going to have more money, and other provinces will. Manitoba will remain stagnant because of a change in formula, a process to move, which his administration started, and we had no choice but to move. The process had begun; there were eight provinces that wanted it; the federal government agreed to it.

The Member is all upset about these numbers. I do not blame him for being upset about it. But I have to tell him that I am quite disappointed in him, for a person who has been involved in bean production for a long time and has seen the bean industry grow tremendously in his part of the province, that he would not have gone to his government, to other people, to find out what kind of coverage there was for these crops. There will continue to be disparity in the coverages in other provinces because of the size of agriculture in some of the provinces, more support from the federal government, a larger share of money going to the federal government, from the federal government, and that disparity will increase, Mr. Chairman. It is one that does cause concern, but I would tell the Member that transportation costs have nothing to do with these prices. These prices are based on a formula; transportation costs do not come into these numbers at all.

**Mr. Jack Penner:** I am sorry that I became a bit emotional in this. This is not the first time I have raised this, Madam Minister, let me assure you of this. The previous minister will testify to the fact that I have been very upset at the rates of coverage that we have in crop insurance

compared to other provinces. That is why I asked you for those numbers, because I think you will see a dramatic change, even in those numbers, and the differentiation will be larger this year than last year. That is what is so unfortunate about this, that we consistently let this happen, and I think it is about time we put our foot down and say: No more. Quite frankly, if we continue down this path, our producers are going to say to heck with this crop insurance program. If others are being treated that much more preferentially than we are, why should we participate?

It is inconceivable that a crop sitting out there in that field is going to be insured for \$90 an acre, and some of it less, when the actual cost of production to put those crops in is going to be \$150 and some of them up to \$700 an acre. And all you can get coverage for is \$90. I think that is an absolute shame, and I think we should make that very clear to Ottawa, that it is about time they get off their horse. That the Minister indicates that the transportation has nothing to do with these numbers is absolute bunk. You do your own numbers. If the formula that is going to be utilized from here on in is what you say it is going to be, the transportation costs are a significant part of the calculation. Do not ever let them kid you about that, because they are. It becomes an income-based program instead of what we had before, and that is the problem with the negotiations.

She constantly refers to the gang of eight having ganged up on her. I do not disagree that they did, and I agree that they would want to move to this new formula of calculation. Our costs are much higher now than they were eight years ago, or seven years ago, or even five years ago. Our costs of production are much higher, and they will remain much higher, and much of that cost is freight and storage based. You know people cannot understand, when I pay \$45 to \$70 an acre just in storage and freight alone on my farm, that is a cost of production. Those were not there before, and Ontario does not need to pay those, and neither do the Maritimes, because they are right on the ports. Neither does Vancouver—and Alberta to a much lesser rate. So let us understand that. That needs to be part of the negotiations when we negotiate these kinds of deals.

I think the Minister would serve herself well, the Department would serve itself well, if they would take some knowledgeable producers along when they negotiate these kinds of arrangements, because maybe the producers would have a better chance at demonstrating what reality on the farm is today because it has changed dramatically and will change dramatically again within the next couple of years. If the Minister does not understand that, then take people along that do.

**Ms. Wowchuk:** Again, I would ask the Member to show a little bit more respect for the staff who negotiate these programs and realize that they do have an awful lot of experience, and he should not try to discredit them as he just has, Mr. Chairman.

\* (15:30)

I also want to remind the Member that when he talked about taking producers, it was our government that organized a delegation of producers, municipal people, Chamber of Commerce to go to Ottawa to outline the impacts of the very program that he is talking about, because all of these changes and our cost of production took place after the elimination of the Crow, a program that many people, I believe on that side of the House, said was going to be a good program. The problem was, Mr. Chairman, the federal government has taken \$600 million out of Manitoba on an annual basis, out of western Canada on an annual basis, and only put in \$1.2 billion. When you look at the losses, this was a very poor negotiation that took place with the elimination of the Crow, and that is the issue. This issue did not start today or on this round of negotiations that we have been doing on safety nets. This whole issue started with the elimination of the Crow. That is what has driven our cost of production up, and that is what has put our farmers in great difficulty.

Thank goodness we have some very creative and innovative farmers who are diversifying their production, and, hopefully, we will not have to depend on insurance programs. Our numbers will change, so that when we get into the next safety net rounds, our numbers of cash receipts will be higher. But I will have to tell the Member as well that it was through our negotia-

tions that we are going to have a review of this program at the end of three years to ensure that we look at what the impacts of these changes are.

So, certainly, this is a very important issue. It is going to impact on our producers, but the Member should remember that it is the change to the Crow and the way the funds were paid out that short-changed Manitoba producers that is going to affect us for the rest of history, on what kind of crops we produce here in this province, and what our production costs are. The federal government has not treated Manitobans or western Canada fairly in this whole issue, and we do have to continue to negotiate, but I tell the Member that I have a lot of respect and faith in the staff who have a lot of experience, who have been negotiating this program, and I also have to assure the Member that there is a lot of consultation with producers when we are working on these kinds of programs.

**Mr. Jack Penner:** I hear what the Minister says, but I am not as convinced as she is, that the kind of consultation that needed to have taken place did take place prior to the Minister heading off and negotiating this kind of a new agreement. I think the safety net program that the Minister has been talking about, Mr. Chairman, is significantly worse than the last safety net program we had, and I think it is time that we realized that we better learn how to negotiate on some of these things.

Anyway, having said that, crop diversification centres. How many crop diversification centres have we got in the province, and where are they located?

**Ms. Wowchuk:** Mr. Chairman, the main crop diversification site is at Carberry. There are four satellite sites, one at Portage la Prairie, one at Winkler, Melita and at Roblin.

**Mr. Jack Penner:** Could the Minister tell me why it has been difficult to get this kind of crop diversification work done right in the Red River Valley? The southern part of the Red River Valley has seldom ever—I have seldom ever seen any of this kind of work done east of Winkler and into the area. Is it because the University of Manitoba used to do a lot of that work right on

site here, and still maybe does somewhat? Why is it difficult to get this kind of work done, for instance, to get the crop diversification centre moved into an area such as Altona, for instance, which is known for its innovativeness in new crop production, and those kinds of things? I do not think there is another area in the province where you have the diversity of crops that are grown in the Altona area, from watermelons to musk melons, to all kinds of spices and herbs, and all those kinds of things. I am wondering why it has been difficult to get the Department of Agriculture to move more significantly into that area. Maybe it is because of the representative they have there.

**Ms. Wowchuk:** Mr. Chairman, I indicated that there were five sites, but those are the main sites. There are also many other sites where there is crop trial locations to various parts of the province. I can tell the Member that for the past three years, there have been full sites at Boissevain, Thornhill, Hamiota, Dauphin and Arborg, partial sites at Portage, Grosse Isle, Melita, Morden, Morris, Rosebank, Neepawa, Ste. Agathe, Transcona, Treherne, Somerset and Brandon. Many of these are driven by the interest of the producers. If producers have interest in a test of a variety, then that is what drives it, for example, there is a lot of forage being tested. There are test plots on the east side of the Red River Valley. In Altona, there is, in fact, a sunflower test site that is being done by the Crop Diversification Centre, but there are also other test projects in Altona that are also done through other programs as well, where work is being done with people in the area to test crops.

**Mr. Jack Penner:** Mr. Chairman, what kind?

**Ms. Wowchuk:** Mr. Chairman, last year there were demonstrations with some neutraceutical and medicinal plants. There was a demonstration on fall seeding of canola with the coated seeds, a demonstration on winter wheat, as well as some demonstrations on some of the new corn varieties.

**Mr. Jack Penner:** Are there any demonstration sites, or is there any thought given as to moving one of the major sites out into that Red River

area, either east of the river or just west of the river?

\* (15:40)

**Ms. Wowchuk:** Mr. Chairman, there has not been any formal discussion about moving any of the sites, or establishing new sites, but I have to tell the Member that there is always discussion about the right distribution of sites. Should we be moving them to another area? For example, we have a large agriculture area in the Interlake. Should we be having a site in the Arborg area? Certainly, with changing climates, and the longer days, we expect some changes in agriculture. We look at The Pas. Should there be a demonstration site at The Pas? I understand that at one time there was an agriculture site, and I am not sure whom it was funded by, up at Wabowden, where there were trial crops or vegetables being done. That might have been a federal project, but there was some testing of—I understand it was a provincial project.

So the Department is always reviewing where the sites are and looking to see what would be the right distribution, but at the present time there are no plans to move any of the particular sites.

But the Member raises a good point about the importance of agriculture in the Red River Valley, and the diversity of the agriculture of that region. That is why it is important that we have these partial sites and test plots on sunflowers and other crops that are important to that region.

**Mr. Jack Penner:** The major site now is at Carman. I would suspect that the soil conditions at Carman and at Carberry might be very similar, in many respects, and I would suspect that the Winkler, Carman, Carberry soil conditions might be very similar in many respects. I was wondering whether the Department of Agriculture was actually looking at soil conditions, climatic conditions and the testing at these sites, and maybe moving one of the sites into a so-called heavier land base site area, into areas that might have silty clays as its soil base and to do some experimenting on such crops as potato production and those kinds of things at some of those sites to see whether there is a

viability of expanding that area. If we could do some demonstration sites in that regard, for instance, the area that I live in, which is mostly silty clay loams, I am very convinced that we could commercially grow potatoes quite well. We would be relatively close to a fairly significant water source, the Red River on a normal year for irrigation purposes.

So if we are looking at the expansion of the potato industry, and if there is an industry that says they might look at expanding the area by about 10 000 acres, if we can provide irrigation water, that might be an area that we could utilize. I know there are many crops that previously were thought not to be profitable or growable in those areas right now, are now being grown quite extensively. That is the reason I asked whether there might be some thought given by the Department of Agriculture, the Soils and Crops Branch, to actually change one of the major location sites.

**Ms. Wowchuk:** The program that the Member is talking about is a federal-provincial agreement, and the sites are determined when the agreement is written, and certainly when that agreement comes up, it will be an opportunity to talk about additional sites or relocation of sites. And as I said, that is something that the Department looks at constantly, to look at whether we have got the right distribution of sites and whether we should be making any changes. As well, I wanted to let the Member know that, as well as these five sites, there are also other trial areas. My understanding is that there has been potato work done in the eastern region, some trial potato testing in the Steinbach area, and certainly the Member raises an important issue. We are looking at every opportunity that we can for diversification and want to provide as much information as possible and do as much trial testing as we can to try out new crops in new areas, and that work is being done by the Department right now.

**Mr. Jack Penner:** One other issue that just came to mind that I was going to ask about the other day, and I am going to ask the Minister now, if that is possible, Mr. Chairman, a number of years ago, I believe some eight or nine years ago, there was a group that challenged Manitoba Crop Insurance on soil classification. I know that

case is in the Courts, and I know that the Minister will not comment and should not comment on the court case itself. There was some \$20 million, I believe, set aside in the Department of Agriculture re GRIP, and I believe there was some \$13 million set aside re pending the case on the soil classification under that program.

What happened to that money? Is that still set aside in a special account? Is it still there pending the resolution of the case? Maybe I could ask the Minister, Mr. Chairman, whether she could give us a bit of a time overview as to when she might think that the case might be concluded on this, because nine years certainly is long enough to have dragged this out in the courts. If it is the court's intention to keep it in the courts long enough that these challenges finally pass away and die, then I think we are on the wrong track. I think the courts should then be reprimanded.

**Ms. Wowchuk:** Indeed the Member is right. Nine years is a very long time to be trying to deal with this issue. Yes, there is money. There is both federal, provincial, and producer money that is being held. My understanding is that there have been offers going back and forth between the corporation and the people from risk area 12. It is very close to being resolved.

\* (15:50)

**Mr. Jack Penner:** Thank you for that information. The money is still set aside, is still there? The \$13 million is still set aside in a special account?

**Ms. Wowchuk:** The money is there for the settlement. The agreement says that at the completion of this case the money goes back to the three parties, the federal, the provincial, the governments, and the producers. The federal and the provincial money have been booked. The provincial money was booked by the previous government in last year's budget process. So our money is used up because it was booked.

**Mr. Jack Penner:** I think the former Minister should know that Mr. Zasada was successful in spending just over a million dollars on those weather stations. That is what I have been told.

So the question I have then is: If the previous government booked this money, what was it booked for, or where did the money go?

**Ms. Wowchuk:** The Treasury takes the money. The money is there to pay off what has to be paid off to, as far as the settlement goes. The money has been booked by Treasury, and it has gone back to, I would assume, general revenue.

**Mr. Jack Penner:** So it went back into the general fund.

**Ms. Wowchuk:** I would have to tell the Member that I am not sure. I know that the money is booked. It was booked in the last year, and I would have to get a clarification for him as to where exactly the money has gone.

**Mr. Jack Penner:** Can the Minister tell me how much money went into—I see one of the lines. There was additional funding provided for the Farm Machinery institute for testing of PAMI, for testing of equipment. There was an additional expenditure there or an additional provision for expenditure. Did that have anything to do with the testing of the new combine that PAMI is testing or this new chaffer-combine.

**Ms. Wowchuk:** The increased funding that is allocated to PAMI is to upgrade the facility, and also to install a management information system, which is a computer system to handle the contract work that PAMI does. The Member asks about the testing of harvesting equipment, and that would be a contract between the manufacturer and PAMI. We would not have details of that contract. However, this is not testing money. It is money used for testing of equipment because any testing is paid for by the manufacturer. This is to upgrade the facility and the computer system. Similarly, Saskatchewan is putting their funds into the other facility at Humboldt.

**Mr. Jack Penner:** I am willing to pass those three lines except for Food Development Centre. I want to ask the Minister: Did the Member for Portage La Prairie (Mr. Fauschou) have a significant number of questions on the Food Development Centre when he was here?

**Ms. Wowchuk:** Yes, Mr. Chairman, we went through the Food Development Centre several days ago.

**Mr. Chairperson:** Item 3.4.: Agricultural Development and Marketing (d) Soils and Crops (1) Salaries and Employee Benefits \$2,924,000—pass; (2) Other Expenditures \$1,074,000—pass; (e) Irrigation Development. Shall this item pass?

\* (16:00)

**Mr. Jack Penner:** Mr. Chairman, are there any other irrigation initiatives taken than the irrigation test site at Melita, or are we doing any other experimental irrigation type projects in the province, other than that one in Melita?

**Ms. Wowchuk:** Mr. Chairman, there is irrigation testing at Carberry, Portage, Winkler and Souris, and a small amount at Roblin.

**Mr. Jack Penner:** Is there none done now at Melita at all?

**Ms. Wowchuk:** Mr. Chairman, in addition to Melita.

**Mr. Jack Penner:** I am wondering what sort of initiative would we have to provide, for instance, in the Emerson area if some farmers wanted to try out irrigation on such things as vegetable production, carrots, onions, potatoes. We do have a number of small vegetable growers there now. There is currently about probably 10 to 15 acres of green peppers going in this year for the first time. Similarly, I was wondering what we would have to do to encourage Soils and Crops to try and bring some of that irrigation testing out to our area, who we would have to talk to, into the Emerson area. I should just add to that, Madam Minister, not only are they growing green peppers, there are green beans being grown there now. There are pumpkins being grown commercially now, and that is all being done in the Halbstadt area right next to my backyard. It would be a significant benefit if these guys had some access to irrigation, especially during spring planting, that they could wet the crops down and get immediate germination and that sort of stuff.

**Ms. Wowchuk:** Mr. Chairman, there is certainly a large variety of crops being grown in the area that the Member talks about, and it just shows the innovation that many farmers have to diversify. I would think that, if the producers wanted to try out something like that, what they should do is form a group that would then talk to staff. I would encourage them to start with the regional staff, with the Ag rep of the area, and then eventually it would end up in the Soils and Crops Branch. But I think it is very important that we work with our regional staff before you go on to the next area because they have the access. There are many avenues that can be taken. There is the possibility of having something like this done through Covering New Ground or through ARDI. It might even work that the Surface Water Irrigation Initiative might be something that would work in this area. There have been times when irrigation pilot projects have been funded through the Sustainable Development Innovations Fund. So there are many avenues, and I would encourage the producers of the area, if they are interested—not necessarily to form an association—but meet with their Ag rep and begin the preliminary discussions and then go from there.

**Mr. Jack Penner:** You can pass that line, Mr. Chairman.

**Mr. Chairperson:** Item 3.4. Agricultural Development and Marketing (e) Irrigation Development \$822,500—pass; (f) Food Development Centre \$912,400—pass.

Resolution 3.4.: RESOLVED that there be granted to Her Majesty a sum not exceeding \$14,949,800 for Agriculture and Food, Agricultural Development and Marketing, for the fiscal year ending the 31st day of March, 2001. Shall the resolution pass?

**Mr. Jack Penner:** You would not want to pass that whole section without me asking a question, would you?

*Resolution agreed to.*

**Mr. Jack Penner:** I think the regional services that Manitoba Agriculture provides are invaluable, and the amount of technological advice and other advice that they bring to the farm community has demonstrated to be very

beneficial to many areas. I think some of the innovative-type programs that have been initiated lately out of the Altona and Vita Ag rep areas, especially those which I know a significant amount about are commendable. What I found most interesting was that the Ag rep in the Altona area took the old sugar beets station site and turned it into a virtually almost a small crop developmental centre. I do not know how many varieties of crops they grew there year, but are again growing a significant number of different varieties of new crops, demonstrating that they could be grown, from Oriental vegetables to spices and herbs, and a number of other things. I think this year they planted a significant number of different varieties of trees, in fact, creating an arboretum. I think that again will demonstrate that you could probably even diversify beyond what we would consider the normal cropping procedure.

Similarly, the Ag rep in the Vita area has demonstrated that you can virtually change the landscape. I remember that, when Wally Happychuk first became the Ag rep in the Vita area, there was some beef and dairy production there but never really that significant. He demonstrated to the local producers that you could actually grow alfalfa in that sandy, peat mossy soil, and showed them how to do it, and has virtually changed that country. I believe the municipalities of Stuartburn and Piney now have the largest livestock or largest beef herds in the province within municipal boundaries. Those two municipalities have the largest number of beef cattle. That is largely, I believe, due to the efforts of one Ag rep and his staff. The new development centre that they set up a couple of years ago on the corner of 201 and 59 Highway, I think, again is showing people different approaches to agriculture. He is again being a leader in that area. I think that is very commendable.

I just want to ask the Minister how many staff—

**Mr. Chairperson:** Order, please. I have not called the item yet.

**Mr. Jack Penner:** Oh, I am sorry.

**Mr. Chairperson:** Let me call it first.

Item 3.5. Regional Agricultural Services (a) Northwest Region (1) Salaries and Employee Benefits \$2,169,000.

**Mr. Jack Penner:** I want to go to the southeast region.

**Mr. Chairperson:** Wait a minute. He wants to go where I have not gone.

**Ms. Wowchuk:** I would like to indicate to the Member that normally when we do regional staff we bring in the staff directors from the various regions. They are not here today. I just want to inform the Member that if we could leave the sections that have to deal with the regions, I would prefer that we could wait for those, because we did not expect to be getting to regional staff today. We thought we would be getting to that on Monday.

As well, Mr. Chairman, we would have to wait for Crown Lands, because we do not have the staff here for Crown Lands. So if the Member would be willing or agreeable, we would have the staff here that we could deal with 6 and 7, but section 5, we do not have the staff here.

\* (16:10)

**Mr. Jack Penner:** Mr. Chairman, I should have told the Minister yesterday that it would probably be my desire to wind up the Estimates for Agriculture today. Had I known that staff would not be here, then I would have told the Minister that yesterday.

I think the two parties have agreed, both House leaders have agreed that they want to move Health into the Chamber next week. So I think that is what we are going to see. It would be my desire if we could somehow—I think you have enough numbers there that I need. I am not going to be very specific in some of these areas, I want to just for my own edification on some of these things—if you have not got some of the information, that is fine too. I can get it later, I am sure of that.

**Mr. Chairperson:** Do I understand that general questions rather than specific questions can go under this item?



**Ms. Wowchuk:** Mr. Chairman, given that the Member has indicated he wants to finish up this section, I think that we can give him some general answers. Should there be more specifics that he requires, I could provide them for him. I think that he is looking for, I believe he was asking for the number of staff that we have in the various regions. If that is the information that he is looking for, if you would clarify, then we could provide him with that.

**Mr. Jack Penner:** Thank you. I am sorry. I did not hear that.

**Mr. Chairperson:** When the question concerns general matters, you can ask, but if you are asking specific questions, like number of staff, she will take it as notice.

**Ms. Wowchuk:** If you look at the various regions, in the Northwest Region, there are 45.79 equivalent to full-time positions; in the Southwest it is 46.8; in the Central Region, it is 45.8; in the Eastern/Interlake, it is 67.4. That is it.

**Mr. Jack Penner:** Those are the numbers that are contained in the Supplementary Information. Is that a change from last year?

**Ms. Wowchuk:** There are two additional staff under the Livestock Stewardship Initiative.

**Mr. Jack Penner:** What would their responsibility be, those two additional staff?

**Ms. Wowchuk:** Mr. Chairman, there is one position in the Northwest Region and one position in the Eastern/Interlake Region. These positions are to support the technical review process. They are both technical review specialists. It is increased support for the regional technical reviews for the new and expanding livestock operations. They will assist municipalities and hog farmers or other livestock operations.

We are joined by Mr. Craig Lee, who is the ADM of Policy, and has also taken over Regional Services after the retirement of Mr. Les

Baseraba, who has been the ADM in this area for some time.

**Mr. Jack Penner:** Thank you very much in regard to that. So the Minister is not contemplating filling that position as a separate position as was the case before, like Mr. Baseraba's position? Is Mr. Craig Lee going to be acting until a full-time, permanent person can be found?

**Ms. Wowchuk:** Mr. Craig Lee is acting in the position until the position can be filled.

**Mr. Jack Penner:** When are the applications going to be available, and can I apply?

**Ms. Wowchuk:** The job will be posted.

**Mr. Jack Penner:** Well, Mr. Chairman, the only reason I asked that is because I am really looking for a raise.

**Mr. Chairperson:** Well, the Member can always have his decisions. He can retire from the House and get the position if he gets appointed.

**Mr. Jack Penner:** I say that with tongue in cheek. I welcome Mr. Craig Lee into that new position. The two positions, the technical review position as well as the other position under the stewardship program, will there be others involved from other departments? I refer to the Department of Conservation, because they do have the environmental responsibility. Will they also be adding staff in that area to ensure—I believe I would quote the Minister correctly that she said they will spend a significant amount of effort to try and ensure water quality and soil quality, and that would mean testing and all those kinds of things. Does that mean that she is going to be testing lagoons and put in place test wells, and those kinds of things? Is she contemplating that her government is going to expand that whole area of staffing fairly significantly to be—maybe I say this a bit, I would not call it facetiously, but, unknowingly, would they be environmental policemen or how would she view that?

*Mr. Gerard Jennissen, Acting Chairperson, in the Chair*

\* (16:20)

**Ms. Wowchuk:** The positions that I have indicated here, that we are bringing in, they are two technical review specialists, one for the Northwest Region and one for the Eastern/Interlake Region. Those will be in place to support the regional technical reviews, work with the municipalities and work with the proponents.

The Member would be better to ask those questions when the Department of Conservation comes up, but he is aware that there was some increase in staff in the Department of Conservation last year and some increased staff this year. We have indicated that we are going to be doing some additional monitoring of the water quality and looking for some of the accumulative effects of operations in a region. I would encourage him to raise those questions in Conservation for a little bit more detail.

**Mr. Jack Penner:** Mr. Chairman, I think the previous government was well on its way to ensuring that there would be at least some monitoring and testing, and all that sort of stuff. I think the Minister correctly states that there was additional staff provided there last year in the Department of Conservation, or last year I think it was the Department of Environment that had added staff to do this kind of monitoring.

I am just wondering whether the two additional staff that the Minister has identified will be working in conjunction with these Conservation staff.

**Ms. Wowchuk:** Mr. Chairman, the three departments worked together with the technical review committee. There are Agriculture and Food, Conservation and Intergovernmental Affairs. It is the Department of Conservation that does the monitoring of lagoons and the monitoring on the test wells, that is apart from the technical review program. Our staff, these additional people, will be working in support of the regional technical reviews, working with municipalities, working with the producers, but the monitoring will be done by the Department of Conservation as has been in the past then.

We have indicated that there has been some work being done. We are looking to increase some of that work and look at regions, what the

accumulative effect is of having operations in an area, but that will be the responsibility of the Department of Conservation.

**Mr. Jack Penner:** I wonder whether the Minister can give me a bit of an overview as to what the status is of the federal-provincial agreements that were used in some of the funding that was provided to set up the regional forage test sites, such as the one I just mentioned on Highway 201 and 59 that Wally Happychuk established?

I think that was done under federal-provincial agreement, right, at least funding provided under federal-provincial arrangements?

**Ms. Wowchuk:** Mr. Chairman, there have been a couple of programs. There was the Canada-Manitoba Agricultural Sustainability program. That was a federal-provincial agreement, and that program has come to an end. There is also Covering New Ground, which is provincial funding. The project that the Member is referring to, I understand, is funded from a variety of sources, but the majority of the funds, I believe, are federal under the MRAC program.

**Mr. Jack Penner:** Mr. Chairman, thank you for that information. The forage seed production in the province is largely centred in the southeast region, I believe, and probably some in the Interlake. What sort of support do we provide to the forage and grass seed industry in the province?

\* (16:30)

**Ms. Wowchuk:** Mr. Chairman, the Member is right that the majority of this industry is in the Interlake and is in the eastern part of the province, but there is growing interest throughout the province. Certainly there are a few scattered throughout the area, but the majority is in the eastern part.

There is funding through ARDI for the forage variety evaluation. That is taking place at Arborg, St. Pierre, Neepawa and Roblin. Through ARDI, they receive a sum of \$45,500. There is also a contribution from the industry, which they collect through a checkoff. There is a modest grant that comes directly from the

Department for \$8,500 that goes to the Manitoba Forage Seed Association.

I want to also tell the Member that the staff is very supportive. The regional staff works very closely with them as well as with the apiary industry, which is also a very important part of the forage industry, Mr. Chairman.

*Mr. Chairperson in the Chair*

**Mr. Jack Penner:** Are there any significant programs to encourage the expansion of the seed industry? I note that MRAC has been somewhat involved. I am not sure whether that is done for research or whether it is new crop, new varietal developments and new forage seed production. What has their involvement really been? If you do not have the information, that is fine, too. I can ask that from somebody else.

**Ms. Wowchuk:** Mr. Chairman, the base funding comes from a checkoff that the forage association has. Those funds are then matched through a variety of ways, whether they would be through ARDI or MRAC. Through the Government, there is close to \$100,000 that goes to the Forage Seed Association. It is through the Forage Seed Association that new areas of research are identified and then the staff in the Department of Agriculture works very closely. There are issues that can make new varieties, weed control, insect control in these varieties, but our department provides a lot of technical support.

I want to tell the Member that there is also a very strong forage trade association that plays an important role in the industry. I can outline to the Member some of the projects that we had. The Interlake Conservation Seeds did a large-scale production of native grass and legumes. Over three years they had funding of \$65,000. The Plant Science Department at the University of Manitoba had a project of breeding and seed production of native grasses. Over three years they received \$108,800. The Manitoba forage growers association had a project entitled New Grass Seed Crop Systems Development. They got \$76,000 over three years. The Manitoba forage seed growers association had another project, Forage Cultivar Evaluation, Forage and Seed, \$105,000 over three years for a total of

\$354,920. Plus there are also projects in forage management and also projects in processing, which is also a very important part as this industry grows and markets develop around the world. The processing of both timothy and other grasses is very important.

Under the Pasture Management there is \$118,856. In the Processing, there are projects to the tune of \$214,500. Some of those are over a three-year period, some of them are one-year projects, but there is a fair amount of money being spent on forage projects to develop that industry.

**Mr. Jack Penner:** Mr. Chairman, I think that is an area that I see some significant potential in. I would encourage any kind of work that could be done for better varietal development. Those kinds of initiatives, I think, are commendable. I would think that the grass seed industry or the hay industry in general has over the long term some significant potential. I know there has been substantive interest in many parts of the province in trying to find different ways and means of baling or processing hay and hay products. I think those kinds of things go hand in hand, the forage seed development, the forage seed industry, and the hay industry in general. I think that is an opportunity for further diversification in this province. I would certainly encourage the Department to try and encourage some further developmental money from Ottawa to come our way in a diversified fund-type programming, if that could be negotiated in the future.

The other area that I would like spend a bit of time on is the Crown Lands area. How many acres of Crown lands do we currently lease to farmers? How many acres of Crown land would we on an annual basis, roughly, sell to farmers? The program, I understand, Mr. Chairman, would not have changed much as far as the criteria for buying farm land. In other words, if a person that has leased land for a while would have first option on buying Crown land, is that still the case?

**Ms. Wowchuk:** Under forage leases, we have one in 1999; there were 1 605 310 acres. Under cropping leases, there are 14 532. Under special leases, there are 1678. Under renewable hay permits, there are 28 109. Under casual hay

permits, there are 2500 acres. Under casual grazing leases, 2761 acres. Under renewable grazing permits, there are 21 461. In the sales of Crown lands in 1999, there were 80 applications received; 38 parcels were sold. There are outstanding applications on 283 parcels, and, since the program has started, there have been 1477 parcels sold.

\* (16:40)

**Mr. Jack Penner:** There have been a number of inquiries by municipalities, whether it would be possible to swap Crown land in areas, especially in the southeast area that I am familiar with. A number of farmers have asked whether they would be able to switch Crown land and really, at the end of the day, I suppose, for purchase purposes. It has always been relatively difficult for the municipalities to get permission either from the provincial forestry people because of either woodlot, substantive wood being the reason why they would not want to swap or sometimes other reasons, but we have always found it relatively difficult to get some exchanges of either municipal Crown land, provincial Crown land, exchanged for either proper grazing land or lands that would have agricultural possibilities if they were changed.

I am wondering whether the Department has had a look at that. I am not even sure whether it was the agricultural Crown lands people that were the problem. Maybe it was Conservation more than Agriculture that had some difficulty with these kinds of exchange arrangements.

**Ms. Wowchuk:** This department would deal with Agriculture Crown lands, but I want to let the Member know that we certainly work with the Department of Conservation to get multi-use of Crown lands. I know that it has become more of an issue given the amount of demands there is on wood supply, and it has become quite difficult many times. I know that there have been several cases in my area where there is land that might be leased out, but, when you go to purchase it, there are restrictions put on it.

But I recognize the issue that the Member is raising and want to assure him that we do work very closely with the Department of Conservation on this issue and try to get multi-use of land.

In many cases that can work very well. With proper management, you can have use of the forests and also have the ability to have grazing for livestock because, in many cases, this is what we try to do.

The Member asked about the issue of swapping land, so to speak. Again, I think that would be in the conservation area not in the land that we have.

**Mr. Jack Penner:** I wonder then, Mr. Chairperson, whether we can move to the economics.

**Mr. Chairperson:** Item 3.5 Regional Agricultural Services (a) Northwest Region (1) Salaries and Employee Benefits \$2,169,000—pass; (2) Other Expenditures \$849,200—pass.

3.5.(b) Southwest Region (1) Salaries and Employee Benefits \$2,363,300—pass; (2) Other Expenditures \$743,800—pass.

3.5.(c) Central Region (1) Salaries and Employee Benefits \$2,288,800—pass; (2) Other Expenditures \$722,900—pass.

3.5.(d) Eastern/Interlake Region (1) Salaries and Employee Benefits \$3,329,400—pass; (2) Other Expenditures \$1,273,600—pass.

3.5.(e) Agricultural Crown Lands (1) Salaries and Employee Benefits \$622,100—pass; (2) Other Expenditures \$287,900—pass.

Resolution 3.5.: RESOLVED that there be granted to Her Majesty a sum not exceeding \$14,650,000 for Agriculture and Food, Regional Agricultural Services, for the fiscal year ending the 31st day of March, 2001.

**Resolution agreed to.**

We are now on Item 3.6. Policy and Economics (a) Economics (1) Salaries and Employee Benefits \$1,126,800. Shall this item pass?

**Mr. Jack Penner:** I wonder, Mr. Chairman, whether the Minister might want to break for five minutes?

**Ms. Wowchuk:** Sure, Mr. Chairman.

**Mr. Chairperson:** We are having a break for five minutes.

*The Committee recessed at 4:47 p.m.*

*The Committee resumed at 4:52 p.m.*

**Mr. Jack Penner:** We are in Economics now. I wonder if the Minister could give me a bit of an overview as to what last year's total income was for the agriculture sector in the province and what the projections are for this year.

**Ms. Wowchuk:** The total cash receipts for 1999 were \$3,015,524,000. The projections for the year 2000 are \$3,084,362,000.

**Mr. Jack Penner:** So that is better than what the projections actually were in 1998 for the 1999 year. I believe the 1998 projection for '99 was \$2.8 billion. So you are telling me that the actual, final results were better than what was projected by about \$20 million, \$25 million. Is that correct?

**Ms. Wowchuk:** The Member used the number of, I believe, 2.8. The summary that we have got here is that there is an increase in what was projected. Part of that is the increase in cattle prices. There has been some increase in program payments, increased volume of hogs. Some of that is offset again by the loss of a million acres not being in production. So that offsets it, but there were payments that came in that added to that. So on the whole there is an increase from the number that he has.

**Mr. Jack Penner:** There were two things, I think, that happened in 1999 that we were not sure of at the end of 1998. One is, of course, the significant betterment of the hog price situation, the stabilization there, and then, as the Minister mentioned, the increase in cattle prices that we have seen. The livestock sector appears to have fared fairly well during the '98-99 time period and appears to be at least stable for the year 2000.

However, the commodity prices have seen a dramatic downturn, Canola prices being relatively almost down some 42 percent over a

year ago. Grain prices I think are firming a bit now but have taken a significant tumble as well. That is why I am a bit surprised at the Estimates for the year 2000. I would be very surprised unless we see a very dramatic change in prices. Bean prices, for instance, are relatively 50 percent of where they were last year. The contracts being written right now are less than 50 percent of where the contracts were a year ago.

Unless things change in the U.S. Midwest, and unless we see a change in some of the speciality crop areas of Wisconsin, North Dakota and South Dakota, I would suspect that we are not going to see a dramatic change in prices where we are today. I think we should prepare ourselves for a lesser income figure for 2000 than we had for 1999. I hope I am wrong in my assumption there.

Can the Minister indicate to me, Mr. Chairman, whether some of the trade irritants that we have seen with the United States, especially North Dakota and Montana in regard to the cattle issues as well as some of the grain issues. I know the Governor of North Dakota had indicated that we were going to see some further border closures at U.S.-Canada ports. Although we have only seen one, I believe, this year, it would almost appear that he had indicated clearly that there might be others.

I am wondering if the Province of Manitoba has had any further discussions with the Governor of North Dakota and/or the industry in North Dakota to find out where we are at on this whole matter and whether the Minister could give me a bit of her views as to how this will unfold.

\* (17:00)

**Ms. Wowchuk:** The Member is right. There have been blockades. Many times you wonder what these blockades are about and whether or not they are politically motivated or whether they are really about concern about products crossing the border. There have been challenges from our Wheat Board. We have had seven or eight challenges. Each time it has been proven that there are no grounds for these challenges, but nonetheless there have been blockades. It is

very difficult to predict what some people like Governor Schafer will do. Certainly Governor Schafer was here in Manitoba and had discussions with our Premier (Mr. Doer). The Premier did raise the issue of need to reduce trade irritants, but there was no commitment that that was going to happen.

There has been a lot of work that has been going on between Canada and the U.S., Mr. Chairman. Subsequent to the trade blockades initiated by South Dakota in 1998, there were a number of Canada-U.S. initiatives that had been established to improve these trade relationships between Canada and the United States. These initiatives are mostly included in a record of understanding between Canada and the United States that was signed in 1998. As part of that record of understanding, the countries agreed to work closely to increase the level of information and understanding about bilateral agriculture trade and to address and resolve trade issues of concern before resorting to actions of restricting trade. Since that time, recognizing the importance that provinces and states place on this bilateral trade. Both federal governments encouraged and established a Provincial-State Advisory group. That group has met, our staff has attended these meetings. Following up on that, there is going to be another meeting in Saskatoon of this group later this summer where we will continue on these discussions. But I think it is very important that things like the Northern Plains conference that we had in North Dakota where producers and department people can get together to talk about these issues all help to address these trade irritants.

I want to tell the Member that as a follow up to the PSAG advisory committee meeting, Manitoba has committed to working with Minnesota on the issues of bilateral trade in hogs and pork. A preliminary meeting was held in April with myself and Commissioner Hugoson and representatives from Manitoba, Canada and the Minnesota Pork Producers. The participants all agreed to continue to work to identify and resolve issues related to two-way trade in hogs between Canada and the United States. Certainly we are committed to doing this work.

I guess we talk about trade irritants at our borders. The U.S. did block our livestock and

they have blocked our grains. But I think one of the great irritants that we have is the fact that Canada gets nine cents on the dollar in supports from their federal government, while the U.S. gets thirty-six cents of every dollar for their agriculture community in federal subsidies from their national government. That is probably one of the greatest irritants that we have.

That is why we continue to urge all countries to reduce their subsidy so that we would be levelling out the playing field between Canada and the United States, which happens to be our largest trading partner. It is very important that we work these things through, because the majority of our trade is with the U.S. It is very difficult for our producers and for their producers when they have these trade barriers at the border.

**Mr. Jack Penner:** Mr. Chairman, I think if the Minister would review the latest numbers as far as U.S. farm support is concerned, the latest announcement made of another \$15.7 billion of additional funding plus the \$7.1 billion that was announced a month and a half ago would indicate that they have probably increased their amount of dollar-value trade from 36 cents or 38 cents on the dollar to closer to 45 to 48 cents. I think they are very close to approaching the European amount of subsidization on a dollar-for-dollar basis.

I have not got the correct information. I do not know if anybody would have or whether you could do the correct analysis. By the end of the year I would suppose that we would be able to do the correct analysis of that. I think we will be surprised at how high the Americans have finally brought the scale of subsidization. It is becoming very important that almost 50 cents of every dollar that the American farmer earns is subsidized money.

The reason I raised this issue is when the North Dakotans were here a few days ago, I raised this issue with them. I said to them I found it very interesting that their governor would threaten action on the border when in my home town I had to drive by a long lineup of semitrailers, all with U.S. licences on them, which were delivering oil seeds to our crushing plant. I said to him that almost 40 percent of the

product taken into that plant this year came from U.S. sources. As far as an employment initiative, I said it was great. I said we accepted it, and I said we welcome their seed. I said the one thing that we as producers find hard to understand was that every bushel of U.S. canola unloaded at that plant demanded somewhere in the neighbourhood of anywhere between \$8.50 and \$9 a bushel, Canadian, to the producer, and the Canadian producer delivering exactly that same product would receive the final net of about \$5.50. We found that very difficult to accept those kinds of differentiation in price simply because of government action.

Similarly, I told them that we found it difficult to understand why a governor, knowing that many of their oilseed products ended up on this side of the border, would even talk about initiating further border action, because, I said, if anybody had cause to, we would probably as producers, yet there would be no benefit to anybody if we did it.

\* (17:10)

I think the meeting that we had in Montana last year, that the former minister and I attended, was probably one of the most beneficial meetings that I have been to. What they did over there—and that meeting was initiated I think largely by Alberta—but the Governor of Montana showed up at the meeting and spoke at the meeting, and so did the Premier of Alberta speak at that meeting. Farmers and farm organizations on both sides of the border heard their messages. I think that was most useful because the day after, we spent in close consultation with politicians and our organizations in discussing how to ameliorate those kinds of things.

Out of that discussion came the meeting that was held in Fargo, North Dakota, that the Minister referred to. I think there was a bit of a difference between that meeting and the previous meeting. I was a bit sorry to see that, because I think it would have been useful if the Governor and the Premier had both showed up at these meetings and done the same thing the Premier and the Governor did over there. It delivered a message that was directed towards getting the two sides to understand each other better.

I think we need to do more of that, Mr. Chairman. That is the message I left with the legislators from North Dakota. I said if we could do anything, especially the states and the provinces that border each other, this border, if we could do anything to encourage further and broader-based discussions that would give us a better overview of what the reality was on both sides of the border, I said, that would be beneficial. However, I said it would have to be politicians being involved with farm organizations and farmers and industry at conferences such as that, and it would have to be a determination by the politicians to ensure that they stayed there and participated. I said at the end of the day we would all have a better understanding.

I said that I think the governors and the premiers would then have a difficult time putting out threatening messages of border closures and those kind of things, and I think most of them agreed with that. I think what was indicated to me was that they would be quite receptive to that kind of structure, and I understand that out of the Fargo meeting there was an understanding that there would be another session in Winnipeg.

I wonder whether the Minister might give us an indication whether she has sent invitations, or her Premier has sent invitations, to the governors of North Dakota, Minnesota, South Dakota, Montana and maybe even Iowa. I am not sure whether they would be invited to this kind of thing, but they meaningfully participate with the premiers of Alberta and Saskatchewan and Manitoba on this kind of initiative and stay there and listen to and be participants in that kind of a process. I think that would be most useful and meaningful. I think the Minister would be surprised at how many of the more significant players would show up and voice their views on many of these things, and at the end of the day maybe we could come to a better agreement than we have now.

**Ms. Wowchuk:** Mr. Chairman, I want to tell the Member that I do agree with him on the numbers that he has given, and, in fact, that the subsidies are higher now that they have had that additional program from the federal government. I want to also tell the Member that this was an issue at the Western Premiers Conference, and part of the

discussion with the governors that were there, and they were given direction to return with some answers or some solutions to the Western Governors Conference, which will be held in 2001.

With respect to the meeting that was in Fargo, and the follow-up meetings that took place, the producers told us very clearly at that meeting that they wanted this to be their meeting. They wanted the opportunity to talk to each other, and they wanted to talk to the politicians, but they did not want it set up in a form whereby there would be speeches from the politicians down to the producers. The format that we will be taking on the meeting, which will be held in Winnipeg, will be very similar. I should say the meeting that we will be having in Manitoba will be very similar, where it will be the producers' meeting, where they have the opportunity to have discussion, and have an opportunity to intermingle with politicians. But that was clearly the direction that we were given by the producers who participated. It was their form, and we intend to follow up on that form.

It is three states and two provinces that are included, and that discussion took place as well about whether it should be broadened out. It was agreed at that meeting that there is this group of people that meets with Alberta and Montana, and those states where they have common interests. The group with the three states and two provinces has common interests, and for this year we should maintain it in that format, and then review it after the 2001 conference and decide from there whether or not it should be broadened.

Mr. Chairman, I think these are very important. This one is an opportunity for producers to participate. The meeting of the provincial-state advisory group is a group more of politicians, but the issues that the Member raises will be discussed at both levels.

**Mr. Jack Penner:** I would strongly encourage the Government of Manitoba to try and encourage as much participation at the political level to give it that proper intermix, because I think it is really important that politicians become educated in this process. I am not always so sure that we are well enough educated,

and I include myself in these issues, because it is important.

The other question I have is the interprovincial agreements: How far advanced are we? There was an agreement that I was part of, back in 1992-93, as Minister, whereby we asked the federal government to become involved in trying to set up a process of interprovincial negotiations to try and ameliorate the disputes and/or irritants between provinces on trade issues, such as dealing with transportation and other technical aspects of transfer of goods and those kinds of things.

**Ms. Wowchuk:** There is a general agreement called the Internal Trade Agreement that deals with all trade in Canada. There is a chapter under that agreement that deals with agriculture. Any time there is a complaint, the province that was complaining would have access to a dispute mechanism that would then deal with the issue. I understand that there is one complaint that has been raised recently. So there is a mechanism to deal with it. It has been in place for several years now.

**Mr. Jack Penner:** I understand that the initial agreement was signed in 1994. I believe that was relative to the discussions that were initiated, I believe, in 1991-1992. There was an agreement signed forming the basis of reductions of the interprovincial trade agreement. I understand that there were some discussions held at the meeting in Niagara in 1998 to form again the basis of a new agreement dealing with agricultural issues and the agricultural chapter of the internal agreement. Can the Minister explain to me what has transpired since then and whether there have been meetings or a new agreement drafted?

\* (17:20)

**Ms. Wowchuk:** There had been several interprovincial trade barriers that had policy implications. There was no agreement on those. The rules of access were not to take effect until 1997, but no specific policy and trade barriers were put in place. So, as a result, the general rules of the trade agreement apply to that. Since that time there has been discussion, as the Member talks about the discussion that took



place at Niagara on those issues, but there has been no movement by ministers to address the issue.

**Mr. Jack Penner:** Mr. Chairman, the Minister and I had a bit of a discussion on this the other day. I think, it is absolutely imperative that Manitoba and Saskatchewan, especially, make its views known very strongly at these interprovincial discussions that we no longer will accept the old norms, that we will no longer abide by the agreements that were there before the Crow benefit disappeared.

I think it is time that we made a very strong case to the federal government to recognize the imposition of the higher costs of transporting grain becomes a very significant cost of production item and that the federal government recognize that they imposed this, and we accepted that.

However, we will not accept the old ways of doing business as part of establishing quota in supply management areas and accepting the restrictions and the increased values established under support mechanisms by Ottawa to other governments and to other provinces. That is simply unacceptable.

I think we need to very, very strongly make that case, and I say to the Minister, again, if she has not got the staff to make that case strongly, then she should apprise herself of the expertise that has. I am not being critical of staff, but I say to you that you would serve yourself well if you bring outside interests in that are able to make that case well and strongly.

Staff would not be offended by that, I know they would not, but you need to bring that expertise into those discussions and debates, because we do have people that clearly understand this and are good negotiators and are able to make the case in this area.

I do not think we have done well, and I think the last discussion that the Minister had when she came back and said that the gang of eight ganged up on her is a demonstration that we

have not done well. So, I say to the Minister, it is time that we put our foot down and that we brought the guns out and demonstrate that we are knowledgeable and that we are able to make the case and that we are able to make the case strongly in this area and bring people onboard that have that expertise and that knowledge to be able to make that case. That is all I am going to say about that. I cannot say in any more stronger way than that.

It is time that we bring our powers to be to the negotiating table to make the case that we will no longer abide by the norms that have been in place when the equalization mechanisms were there, that are not there any longer. So the world has changed, they changed it, now let us change it all the way.

**Ms. Wowchuk:** Well, Mr. Chairman, I want to tell the Member that we did raise the issue, and we tried to get the federal government, we tried to get the provinces, to recognize that things have changed.

### Report

**Ms. Marianne Cerilli (The Acting Chairperson of the section of the Committee of Supply meeting in Room 255):** Mr. Chairperson, the section of the Committee of Supply meeting in Room 255 considering the Estimates of the Department of Labour, a voice vote was requested on line 1.(a) Minister's Salary. The line was passed on a voice vote, subsequently, two members requested that a formal vote on this matter be taken.

**Mr. Chairperson:** Call in the members.

\* (17:30)

### Formal Vote

**Mr. Chairperson:** In the section of the Committee of Supply meeting in Room 255 considering the Estimates of the Department of Labour, a voice vote was requested on line 1.(a) Minister's Salary. The line was passed on a voice vote. Subsequently two members requested that

a formal vote on this matter be taken. Therefore, the question before the Committee is: Shall line item 1.(a) Minister's Salary \$27,300, contained in the Department of Labour's Estimates, pass?

*A COUNT-OUT VOTE was taken, the result being as follows: Yeas 25, Nays 9.*

**Mr. Chairperson:** The line is accordingly passed.

The hour being after 6 p.m., Committee rise.

Call in the Speaker

**IN SESSION**

**Mr. Speaker:** The hour being 6 p.m., the House is adjourned and stands adjourned until 1:30 p.m., Monday.

# LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, June 22, 2000

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