



Second Session - Thirty-Fifth Legislature  
of the  
**Legislative Assembly of Manitoba**

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**DEBATES  
and  
PROCEEDINGS  
(HANSARD)**

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**MANITOBA LEGISLATIVE ASSEMBLY**  
**Thirty-Fifth Legislature**

LIB - Liberal; ND - New Democrat; PC - Progressive Conservative

NAME	CONSTITUENCY	PARTY
ALCOCK, Reg	Osborne	LIB
ASHTON, Steve	Thompson	ND
BARRETT, Becky	Wellington	ND
CARR, James	Crescentwood	LIB
CARSTAIRS, Sharon	River Heights	LIB
CERILLI, Marianne	Radisson	ND
CHEEMA, Gulzar	The Maples	LIB
CHOMIAK, Dave	Kildonan	ND
CONNERY, Edward	Portage la Prairie	PC
CUMMINGS, Glen, Hon.	Ste. Rose	PC
DACQUAY, Louise	Seine River	PC
DERKACH, Leonard, Hon.	Roblin-Russell	PC
DEWAR, Gregory	Selkirk	ND
DOER, Gary	Concordia	ND
DOWNEY, James, Hon.	Arthur-Virden	PC
DRIEDGER, Albert, Hon.	Steinbach	PC
DUCHARME, Gerry, Hon.	Riel	PC
EDWARDS, Paul	St. James	LIB
ENNS, Harry, Hon.	Lakeside	PC
ERNST, Jim, Hon.	Charleswood	PC
EVANS, Clif	Interlake	ND
EVANS, Leonard S.	Brandon East	ND
FILMON, Gary, Hon.	Tuxedo	PC
FINDLAY, Glen, Hon.	Springfield	PC
FRIESEN, Jean	Wolseley	ND
GAUDRY, Neil	St. Boniface	LIB
GILLESHAMMER, Harold, Hon.	Minnedosa	PC
HARPER, Elijah	Rupertsland	ND
HELWER, Edward R.	Gimli	PC
HICKES, George	Point Douglas	ND
LAMOUREUX, Kevin	Inkster	LIB
LATHLIN, Oscar	The Pas	ND
LAURENDEAU, Marcel	St. Norbert	PC
MALOWAY, Jim	Elmwood	ND
MANNESSE, Clayton, Hon.	Morris	PC
MARTINDALE, Doug	Burrows	ND
McALPINE, Gerry	Sturgeon Creek	PC
McCRAE, James, Hon.	Brandon West	PC
McINTOSH, Linda, Hon.	Assiniboia	PC
MITCHELSON, Bonnie, Hon.	River East	PC
NEUFELD, Harold, Hon.	Rossmere	PC
ORCHARD, Donald, Hon.	Pembina	PC
PENNER, Jack	Emerson	PC
PLOHMAN, John	Dauphin	ND
PRAZNIK, Darren, Hon.	Lac du Bonnet	PC
REID, Daryl	Transcona	ND
REIMER, Jack	Niakwa	PC
RENDER, Shirley	St. Vital	PC
ROCAN, Denis, Hon.	Gladstone	PC
ROSE, Bob	Turtle Mountain	PC
SANTOS, Conrad	Broadway	ND
STEFANSON, Eric, Hon.	Kirkfield Park	PC
STORIE, Jerry	Flin Flon	ND
SVEINSON, Ben	La Verendrye	PC
VODREY, Rosemary	Fort Garry	PC
WASYLYCIA-LEIS, Judy	St. Johns	ND
WOWCHUK, Rosann	Swan River	ND

## LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, May 16, 1991

The House met at 1:30 p.m.

### PRAYERS

### ROUTINE PROCEEDINGS

### PRESENTING PETITIONS

**Mr. Neil Gaudry (St. Boniface):** Mr. Speaker, I beg to present the petition of L. Carriere, Ted Dupuis, Roland Sylvestre and others, requesting the government of Manitoba to consider reinstating the index in the 55-Plus program.

### Introduction of Guests

**Mr. Speaker:** Prior to Oral Questions, may I direct the attention of all members to the gallery, where we have with us this afternoon 19 visitors from the Aboriginal Journalism Program, and they are under the direction of Russell Merick.

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

### ORAL QUESTION PERIOD

#### Winnipeg Waterways Jurisdiction

**Mr. Gary Doer (Leader of the Opposition):** Mr. Speaker, the Province of Manitoba has been slowly and purposefully moving into greater areas of authority and responsibility for some of the major environmental assets in the city of Winnipeg and the province of Manitoba.

We have had for years and decades a period of time where the city of Winnipeg was exempted from the old environment act. We, of course, passed an environment act that removed the exemption from the city of Winnipeg because all municipalities should be treated the same way. We were involved in trying to stop and effectively stopping apartment blocks from being built on Omands Creek, and then we had to move amendments in committees with the Liberals on a car wash that was proposed again on one of these natural areas.

It concerns us greatly, Mr. Speaker, that the Minister of Urban Affairs has, quote: delegated

more authority for our waterways to the City of Winnipeg.

I would ask the minister why, instead of delegating the authority to the City of Winnipeg, which has proven and demonstrated a neglect for our waterways, whether it is the discharge into the river, whether it is the licensing of treatment places, whether it is the Omands Creek operation that the minister was well aware of in his former career, why would we be delegating those authorities to the City of Winnipeg, instead of maintaining provincial standards and provincial objectives in terms of our waterways for the population of Manitoba?

\* (1335)

**Hon. Jim Ernst (Minister of Urban Affairs):** Mr. Speaker, first of all, I reject many of the comments that the Leader of the Opposition made with respect in his preamble to this particular question.

Mr. Speaker, presently in The City of Winnipeg Act, there is a provision that prohibits development over waterways. That provision will remain—if the member had read the bill—until such time as the City of Winnipeg passes a concurrent by-law to prohibit the same kinds of things.

Building construction in the city of Winnipeg, building permits for everything under the sun, Mr. Speaker, that happens in the city of Winnipeg is dealt with directly by the City of Winnipeg through their Department of Environmental Planning. They issue the permits. They control it by virtue of development control by-laws and things of that nature.

It makes sense that it be consolidated with the city by by-law, as the rest of their provisions are, and that our amendment in the act will remain there until such time as the city passes a by-law. If they do not pass a by-law, Mr. Speaker, it is not removed from the act.

**Mr. Doer:** Mr. Speaker, the minister knows and he, of course, was on council when the City of Winnipeg, under their own zoning and by-law provisions, approved a 323-person apartment block on Omands Creek.

The minister knows we had a crisis two years ago when they were planning a car wash on the Omands Creek. We had to get involved as a government and use all the authorities available to us to try to negotiate a change so that Omands Creek would be available as a natural resource for the people of the city of Winnipeg and the province of Manitoba.

Why is the government delegating more authority to the jurisdiction that has given us the greatest problems in terms of protecting and enhancing some of these waterways, Mr. Speaker? Why would we not have provincial standards and provincial programs under the Rivers and Streams Act and all the necessary acts so that we do not get into these boondoggles as we did in 1984, 1985 and 1987 with Omands Creek and other projects, and as we have over the past number of years with discharge and other environmental concerns in the city of Winnipeg with the exemption that we removed in 1987, with the proclamation in 1988 of The Environment Act?

**Mr. Ernst:** Mr. Speaker, I do not think the Leader of the Opposition heard what I said in the first instance. I said at the present time there is provision in The City of Winnipeg Act that prohibits that development. It will remain in The City of Winnipeg Act until such time as the City of Winnipeg passes a by-law prohibiting that development.

At some point in the future, development over waterways may, for whatever reason, be required, and if it is, the city would have to change their by-law. To do that, Mr. Speaker, it involves a very significant process. That process then would be publicly enunciated and council will make that decision at that time.

**Mr. Doer:** The council made the decision to proceed with 323 apartments on Omands Creek. The council was proceeding with the decision to build a car wash. We have had histories and examples of apartment blocks. If you just look outside the back door of this Legislative Building, you will see apartment blocks that this member was involved with as a councillor being approved right into the banks of the Assiniboine River. We have had example after example of discharges not being licensed. We have had examples, Mr. Speaker, of the City of Winnipeg proceeding in a way that was inconsistent with all other municipalities in the province of Manitoba.

My question, therefore, to the minister is: Why is he delegating that by-law authority to the City of

Winnipeg? Why is the province not showing leadership and putting in strong parameters for the protection of our waterways as a provincial standard under the City of Winnipeg provincial act rather than delegating it back to City Hall and leaving ourselves vulnerable to the Gang of 18 kind of politics that saw apartment blocks over waterways in the past.

**Mr. Ernst:** Mr. Speaker, the apartment blocks that the honourable member refers to across the Assiniboine River, on the south side of the Assiniboine River, were approved by The Rivers and Streams Protection Authority, which is the City of Winnipeg Council. They have that authority already.

The one issue that we are talking about, the question of construction on top of rivers or streams, not along the banks but on top of the rivers and streams, was an amendment put into The City of Winnipeg Act a couple of years ago. That amendment, Mr. Speaker, remains in The City of Winnipeg Act and will remain there until such time as the city passes a by-law to prohibit it.

### Manitoba Telephone System Oz Pedde Appointment

**Mr. Gary Doer (Leader of the Opposition):** I have a new question to the minister responsible for Telephones.

Mr. Speaker, the MTX affair—as members opposite have called it and I think the public have generally called it—was one of the biggest mistakes of any Crown corporation in the history of this province. It caused tremendous difficulty for the people of Manitoba. It cost us money that we should never have lost. It caused some problems that took a number of years to correct in terms of the morale and the operations of the Manitoba Telephone System. -(interjection)- Well, read Hansard.

Mr. Speaker, today we have learned that the government has appointed a Mr. Pedde to be the chief operating officer of the Manitoba Telephone System.

My question is to the minister of Telephones. Was this appointment approved in cabinet, and secondly, was the activity of Mr. Pedde surrounding the MTX affair, an issue in the Telephone System, reviewed by the cabinet and the minister prior to the appointment?

\* (1340)

**Hon. Glen Findlay (Minister responsible for the administration of The Manitoba Telephone Act):**

Mr. Speaker, I am certainly pleased that the Leader of the Opposition has now apologized for the events in his government of getting involved in MTX, losing \$27 million in the sands of Saudi Arabia, destroying the morale in the Manitoba Telephone System and going through a period of time and losing \$20 million to \$25 million a year.

Now the morale is recovered. We are making well over \$20 million a year, in fact over \$30 million a year now. The company is up and running and competitive. We have gone through a search to find a new chief executive officer. The man has worked 14 years with the Manitoba Telephone System, seven years in the private sector, and he has worked for four years at Northern Telecom. Mr. Speaker, the man is exceedingly well qualified. The morale of the company is up, and they are ready to move on with the events of the future in telecommunications. The man will do a very good job. We are pleased to announce him as the new CEO for the Manitoba Telephone System in the province of Manitoba.

**Mr. Doer:** Mr. Speaker, I refer to the Coopers and Lybrand report tabled in this Legislature which states, in 1980—curious date—Mr. Pedde and Mr. Aysan started negotiations with the Sheik Al Bassam. Further to that, in January '82 the MTX board meeting delegated authority to MTX to negotiate with ABI, and all agreements were subject to MTX board approval before becoming effective.

If you read on to the Coopers and Lybrand report, you will read a number of other comments about the way the plans were originally established in 1980 and '81, which caused tremendous difficulty for the people of Manitoba right throughout the '80s.

My question to the minister is—I asked the minister whether the cabinet approved the decision, and secondly, did he review the Coopers and Lybrand report before the approval of Mr. Pedde as the Chief Executive Officer of the Manitoba Telephone System?

**Mr. Findlay:** Mr. Speaker, the member knows that his government was completely responsible for the events that happened that damaged the Manitoba Telephone System and lost taxpayers of Manitoba money in the sands of Saudi Arabia. That chapter of history is closed. We have closed it. The corporation is getting on with delivering the service

to the citizens of Manitoba and the ratepayers of the Manitoba Telephone System.

This member is being extremely unfair in trying to create certain levels of innuendo, because they are responsible. This member was chosen by an executive search to be the best person for the job for all the reasons I have already given. We know he will do an excellent job of moving the corporation into the telecommunications challenges of the 1990s.

**Mr. Doer:** Mr. Speaker, I would agree with the minister that our job should be to close a bad chapter in a good Crown corporation.

The employees of Manitoba Telephone System have been phoning a number of people over the last period of time saying that exactly the opposite is going to happen, that they moved forward with the last Chief Executive Officer, Mr. Bird. Things were doing very, very well.

**An Honourable Member:** Did you hire him?

**Mr. Doer:** Yes, I did hire Mr. Bird. It is unfortunate he went to Northern Telecom.

Mr. Speaker, things were moving forward and the integrity and the morale in the Telephone System had been improving. Now they had heard rumours that the government was going back to the 1980 formulation of MTX and back to some of the same people.

I would ask the minister: Did he review the Coopers and Lybrand report prior to his approval of this person as the Chief Executive Officer of the Manitoba Telephone System? Will it cause any problems to the morale of MTS by going back to a bad chapter in Manitoba Telephone System history?

\* (1345)

**Mr. Findlay:** Mr. Speaker, I will answer the member very, very emphatically. No, the hiring of Mr. Pedde will not do any morale damage to the Manitoba Telephone System. In fact, it will raise the level of morale.

He is a former employee of the Telephone System. He is a Manitoban; he is committed to Manitoba. He is 49 years old, capable of leading the company in the technical and the management frame for the years ahead. There is nothing wrong with what Mr. Pedde did in the past. All the wrongs were committed by the cabinet of the New Democratic Party over the course of years.

Mr. Speaker, I will reaffirm that, in the course of time when he was over there, they were losing \$20 million and \$25 million a year. They are now making \$20 million and \$30 million a year profit and moving into the new generation of offering telecommunication services to the citizens of Manitoba. Mr. Pedde will lead the charge through the 1990s very successfully.

### **Manitoba Telephone System Oz Pedde Appointment**

**Mrs. Sharon Carstairs (Leader of the Second Opposition):** Mr. Speaker, I have to say that I have never been as shocked with a government appointment as I was with this one today. We have a situation in which an individual is appointed as the president of a Crown corporation, an individual who was as much involved in the decision making of MTX as Mike Aysan, as Gordon Holland, as all of the other individuals whose heads—this government, when in opposition—called for consistently day after day after day. The only reason Mr. Pedde escaped from that was because he was not working for them at the time.

Mr. Speaker, can the minister tell this House why they have hired someone intimately involved in the MTX fiasco to now run the Crown corporation known as the Manitoba Telephone System?

**Hon. Gary Filmon (Premier):** Mr. Speaker—

**An Honourable Member:** . . . Ed Schreyer, and you are no Ed Schreyer.

**Mr. Filmon:** The people of Manitoba are very happy about that, I might say.

Mr. Speaker, I have a great deal of difficulty understanding the perspective of the Leader of the Liberal Party. The individual who she has named and seriously maligned is an individual who worked for the Crown corporation, rose through the ranks over a period of some 15 years of employment—not only had a background in the engineering and technical side as an electrical engineer, but also became the head of the marketing side and ultimately a senior vice-president—was regarded as one of the foremost people in that system and then went to the private sector and worked in the private sector as a senior vice-president and had a distinguished career with the Richardson company.

Through all of that, I might say, he left the employ of Manitoba Telephone System when MTX was in its infancy before the four years in which that

corporation went hog wild and went into all of the politically driven initiatives to try and become big business over there, left well before the kinds of agreements that Len Evans—sorry, the member for Brandon East—that Al Mackling and all of those people entered into that really caused the corporation to lose \$27 million. He got out before any of those things happened. I would think perhaps, Mr. Speaker, because he did not like the direction it was taking, and now—

**Mr. Speaker:** Order, please. I would like to remind all honourable members of our Rule 38.(1): A member addressing the House, if called to order by either the Speaker, shall sit down.

### **Manitoba Telephone System Oz Pedde Appointment**

**Mrs. Sharon Carstairs (Leader of the Second Opposition):** Mr. Speaker, one of the most unpleasant incidents that came to light about MTX was the flogging by the religious police of Manitobans, an incident that Oz Pedde was very much aware of and did nothing to correct the record on.

Can the minister tell this House why his involvement in MTX was not considered a factor in the ineligibility of this particular individual to serve as the president of the Manitoba Telephone System?

\* (1350)

**Hon. Glen Findlay (Minister responsible for the administration of The Manitoba Telephone Act):** Mr. Speaker, the MTX affair occurred in the mid-1980s in terms of the degree of involvement of the NDP government. This member left in 1982, long before the major events of MTX unfolded. The member saw some of the things that were going wrong and he left. The member is a well-respected individual in the business community, in the telecommunications business. If the member has any charges she wants to lay, I would be interested to see her lay them, but the member is clean on this issue. The member has done a good job in the telecommunications industry and the business sector, and he left MTS in 1982.

**Mrs. Carstairs:** Mr. Speaker, if he left in 1982, can he explain why a clipping of Monday, July 18, 1983, quotes MTS production development executive, Oz Pedde, saying he was aware of the incident: I heard that some of our MTX employees had a run-in with

the religious police? All I know is that they were given a warning not to work during prayer time. Pedde said the six MTS employees were caught breaking the law.

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

**Mr. Speaker:** Order, please. I would like to remind all honourable members of Beauchesne's 493(4): "The Speaker has cautioned Members to exercise great care in making statements about persons who are outside the House and unable to reply."

**Mr. Findlay:** Mr. Speaker, as I have earlier said, the member has been deemed by a search committee to be the most responsible and capable person to lead the corporation in the years ahead. It is unfortunate this member and the New Democratic Party have chosen to try to create innuendo and misconceptions about the individual. The MTX issue is closed. That book is bad. It is unfortunate that it happened, and the NDP government of the time was responsible for it. This member left the corporation in the early 1980s, I said 1982. It is unfortunate that the member wants to raise these allegations at this time, because the member has a reputation that is above none.

### **MDS Resale Head Office Location**

**Mr. Leonard Evans (Brandon East):** I have a question for the Minister of Finance.

This government, with the full support of the Liberals, sold MDS, a cost-efficient and profitable publicly owned computer company, to STM Systems Corporation. Now, STM's parent company, International Semi-Tech Microelectronics Inc., appears to be selling it at a profit to another company to be controlled by the money-losing Westbridge Computer Corp. of Regina. In order to not breach the agreement with the province, it is possible that the nominal legal head office would remain in Winnipeg with the executive decision-making office being located in Regina.

My question to the minister is: What assurances does the minister have that he can abrogate the agreement if the legal head office remains here for window-dressing purposes while the real de facto headquarters is located in Regina?

**Hon. Clayton Manness (Minister of Finance):** The legal head office of Manitoba Data Services, which is an entity of STM as covenant under the agreement, will remain in Manitoba in the city of

Winnipeg. Let me also indicate that MDS decisions related around its activities in supplying services to the government and supplying services to private industry in Manitoba will continue to be made within the city of Winnipeg.

**Mr. Leonard Evans:** Mr. Speaker, I am not sure whether the minister answered the question regarding legal and de facto head office.

### **Golden Share Agreement**

**Mr. Leonard Evans (Brandon East):** I would like to ask the minister a second question.

What power does the minister have to reassume ownership of MDS if the head office or the control is transferred at some future time from Manitoba to Saskatchewan, that is, after the time period expires for the exercise of the golden share?

\* (1355)

**Hon. Clayton Manness (Minister of Finance):** The time that the golden share, its powers run out are at the same time when the province wanted to have its covenant, its agreement run out, and that is at the end of five years. At that particular point in time, the government is not required under the contract to buy the computing services from MDS Manitoba, the new configuration of Manitoba Data Services owned by STM. That has been agreed to, and that is the same length as the golden share.

That is the protection that the province built into that agreement, that we had to have services provided for a minimum of five years, and it is during that same period of time that the golden share will stay in effect, regardless of who the material and beneficial owners are of STM Manitoba.

### **Board of Directors**

**Mr. Leonard Evans (Brandon East):** Another question to the Minister of Finance.

Is it correct that Westbridge of Regina, which is indirectly owned by the Saskatchewan government, will have the bulk of the 12 position on the board of directors, with STM and, I guess, IBM each having only one? In effect, is it not true that the real decision making will occur in Regina regardless of where the legal head office is located?

**Hon. Clayton Manness (Minister of Finance):** Mr. Speaker, the short answer to that question is no. I am led to believe that, over a period of years, there may be changes with respect to the configuration of the board. Our great concern at this point in time is

whether or not the Province of Manitoba will be able to safeguard its interests through this beginning period of time so that it will have representation on the board.

I have been provided with notice that indeed the province will be guaranteed that opportunity.

### **Western Premiers' Conference Agricultural Issues**

**Mr. John Plohman (Dauphin):** We were shocked and dismayed in reading the western Premiers' communique that there was absolutely no priority placed on agriculture by the Premiers at the discussions at Nipawin, Saskatchewan, this past week. Despite what Tories might believe, in the various provinces, the backbone of our rural economy is agriculture, and it is in desperate straits, desperate trouble in our province and across western Canada, yet it was not dealt with in the communique other than on the export side, on the dealing with the countervail issue and GATT talks and so on, but not on the domestic front.

I ask the Minister of Agriculture, in view of the fact that the minister had a golden opportunity to raise the profile of the serious issues facing agriculture, particularly the debt crisis and the unprecedented offloading by the federal government, why did the minister not ensure that the Premiers were discussing these serious issues facing agriculture on the domestic front and not ignoring them, as is evident in this communique from the Premiers?

**Hon. Gary Filmon (Premier):** I know that it is very difficult for the member for Dauphin to base his comments from the lack of knowledge that he has sitting back home while the talks are going on there, but I can tell him that the entire discussions were videotaped. I am sure that, if he wants to, he can get a copy and he can verify the fact that, during my talks, I spoke about the fact that the biggest problem facing agriculture, of course, is the hugely depressed prices because of the international grain subsidy war.

Prices that effectively are one-quarter for wheat today than what they were a decade ago in real dollar terms, that overshadows all of the problems with respect to debt, with respect to financing, with respect to safety-net programs and everything else. All of those converge around the fact that you have wheat selling today for the farmers, the producers of western Canada, who I might say are the most

efficient producers, the best producers in the world, having to take a price that is the equivalent of one-quarter in real dollar terms what it was a decade ago.

We talked about that international grain subsidy war and the necessity for all of us to work and have an input to the solution of the GATT round talks. We talked about getting at the table for the dispute resolution aspects of the Free Trade Agreement so that the pork countervail can be addressed, with having provincial trade ministers and, indeed, representatives at the table to protect the interest of our farmers. We talked about that and other things to do with agriculture, Mr. Speaker, so I would suggest that the member for Dauphin do a little more research.

### **Western Premiers' Conference Agricultural Issues**

**Mr. John Plohman (Dauphin):** I recognize that there was some brief mention of the international situation, and I said that in my preamble if the minister would have been listening, but I asked—you know, the Minister of Agriculture realizes that we must keep our farmers on the land in the short term in order to realize any future recovery and take advantage of that in this country. There is a crisis among our younger farmers, and I ask the minister: Judging from the Premier's response, there was no discussion about dealing with the debt crisis, why did this minister—

**Mr. Speaker:** Order, please.

\* (1400)

### **Point of Order**

**Hon. Gary Filmon (Premier):** On a point of order, Mr. Speaker, I just went through a lengthy answer that told him how there was extensive discussion with respect to agriculture. The member may want to ignore it, but he should not misrepresent it.

**Mr. Speaker:** Order, please. The honourable First Minister does not have a point of order. It is a dispute over the facts.

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**Mr. Plohman:** Well, obviously the Premier does not even know what the debt crisis is. He is still talking about international grain prices.

I want to know what specific action was put on the table and discussed and taken by the Premiers at Nipawin dealing with the debt crisis facing our

younger farmers, which is crippling their ability to stay on the land?

**Hon. Glen Findlay (Minister of Agriculture):** Mr. Speaker, the debt crisis did not happen last week; it did not happen last month. It has been in place for a long period of time, brought to bear on particularly the grain farmers of Manitoba and western Canada because of the international grain trade war which has worsened and worsened and worsened. I have to report to the member it has worsened a bit more over the past year.

In response to that, a safety-net mechanism was developed by farmers primarily to put some structural predictability to their incomes over a period of time so that they could help to deal with their payments, their principal and interest payments that are due on an annual basis. The safety-net mechanism that has been developed over many months is in place, and I am pleased to report the sign-up is very good in the province of Manitoba and gives farmers some structural predictability to be able to pay their debts.

I would also like to report to the member, the overall debt in the farm community in Manitoba has gone down from about \$2.1 billion to \$1.8 billion in the past two years. Farmers are reducing the degree of liability they have, and they have the safety net to give them the income stability that they need to face their debt situations of the future.

**Mr. Plohman:** Mr. Speaker, the reason the debt is down is because the farmers are being chased off the land, and this minister knows that it is the younger farmers who are facing the debt crisis. The younger farmers have the vast majority of the debt.

Now I want to ask this minister why, also, he did not raise the issue of the federal offloading, indicate it and have the western Premiers agree that they will not tolerate this kind of unprecedented offloading in agriculture that has taken place with GRIP and NISA under this program and this minister?

**Mr. Findlay:** The question of offloading has been on the table of the Minister of Agriculture many times. We have spoken against it on a repeated basis, but at the same time, we have to respond to the farmers' needs out there. We are in great need right now, great need in the grain industry in order to have a reasonable income.

The farmers in Manitoba are going into a very good season now. Moisture has been excellent. The crop is going in the ground. They have some

structural predictability to prices. We could have a very good year in agriculture in Manitoba, Mr. Speaker. The livestock sector is very good. The prices are reasonable and very good.

The farmers know there are some difficulties ahead, and they have dealt with them in a responsible manner by signing up for GRIP, signing up for tripartite stabilization. The number of young farmers taking part in the MACC interest rebate program has never been higher.

### **City of Winnipeg Act Section 624 Repeal**

**Mr. Paul Edwards (St. James):** Mr. Speaker, my question is for the Minister of Urban Affairs.

As if this minister's dogged support for the Pines project were not insult enough to the common sense and sense of fairness of Manitobans, the minister is now seeking by Bill 35 to repeal Section 624.1 of The City of Winnipeg Act. That section was moved by the Liberal Party last year and was passed in March. It banned commercial construction over waterways once and for all in this city. This minister's colleagues stood up and voted for that amendment in this House, presumably because they realized that governments for too long had desecrated the waterways in this city. Now that they have a majority, they are repealing it.

Mr. Speaker, my question for the minister today is: Where is the guarantee that he says is in this act? What is in this act on page 38 is the repeal of Section 624.1.

**Hon. Jim Ernst (Minister of Urban Affairs):** Mr. Speaker, as I indicated to the Leader of the Opposition (Mr. Doer) earlier, the fact of the matter is that this section is repealed when the City of Winnipeg passes a by-law to replace the section that is in the act in order to maintain, at the City of Winnipeg, control over the construction of buildings over top of waterways, not on the banks as alleged by the Leader of the Opposition.

**Mr. Edwards:** Mr. Speaker, Steve Hrousalas was planning a car wash and office tower over top of Omands Creek. I want to table a copy of correspondence dated May 28, 1990 from counsel for Mr. Hrousalas, which is sent to the Minister of Justice (Mr. McCrae) amongst others. In it a threat to sue the city and the province over the enactment of Section 624 is made, and that was followed through with a lawsuit.

Mr. Speaker, why is the minister repealing Section 624 coincidentally just when the government might actually have to put some money to its mouth to protect the parks and waterways of this city?

**Mr. Ernst:** Mr. Speaker, I am having difficulty contemplating why the member does not understand what I have said three or four times already during Question Period.

The fact of the matter is, the section will be repealed only when the City of Winnipeg passes a by-law to replace that particular section in The City of Winnipeg Act. Now that, I think, is reasonably clear and should be able to be understood by my honourable friend from St. James.

Mr. Speaker, as I said before, the consolidation of powers for building construction and for rivers and streams authorities are now consolidated at the City of Winnipeg, which has the authority to deal with those issues.

**Mr. Edwards:** Mr. Speaker, the minister should read his own bill. The word is that the City of Winnipeg may amend the by-law, may amend it.

### Omands Creek Development

**Mr. Paul Edwards (St. James):** For the same minister, is not the real reason that this minister is repealing this section because he wants to do yet another favour for another of his Tory pals in St. James, Mr. Speaker, and allow Steve Hrousalas to go ahead with his car wash and office tower—

**Mr. Speaker:** Order, please.

### Point of Order

**Hon. Clayton Manness (Government House Leader):** Mr. Speaker, the member, in posing the question, just made the strongest imputation of motive. He seems to be leading with his question, trying an attempt to besmirch the minister. I ask the member, under the rules of our House, to withdraw the question.

**Mr. Edwards:** Mr. Speaker, on the same point of order, I am simply drawing the minister's attention to the lawsuit which is in place and to the fact that this has come forward at an extremely coincidental time, given that they now have a majority.

**Mr. Speaker:** On the point of order raised, it is indeed a serious matter, and I want to be absolutely certain as to what was said. I will take this matter

under advisement, and I will report back to the House.

Also, while we are on this issue, I would like to remind honourable members of Beauchesne's 410.(14). "Questions should not anticipate an Order of the Day although this does not apply to the budget process." I note that the honourable member's questions are dealing with a bill which I believe is on the Order Paper for tomorrow, so I would caution all honourable members.

\* (1410)

**Mr. Edwards:** Mr. Speaker, I am not certain. Would the minister prefer that I repeat the question?

**Mr. Speaker:** The honourable member for St. James, kindly rephrase your question, please.

**Mr. Edwards:** Mr. Speaker, finally to the same minister, why is the minister coming forward at this time with a repeal of Section 624.1, given that he knows of the importance to that community of the—

**Mr. Speaker:** Order, please. I have just advised the honourable member of the Beauchesne's 410.(14). I will repeat it for the honourable member: Beauchesne's 410.(14), "Questions should not anticipate an Order of the Day . . ." As I indicated, I believe the questions are leading up to a bill which will be presently before the House. Therefore, the honourable member's question was out of order, and I have given the honourable member an opportunity to rephrase his question. The honourable member, rephrase your question now, please.

\* \* \*

**Mr. Edwards:** Mr. Speaker, what protections will the minister be putting in place to ensure that the car wash and office tower proposed over Omands Creek will not go forward?

**Hon. Jim Ernst (Minister of Housing):** Mr. Speaker, that matter, of course, ultimately is prohibited under the current City of Winnipeg Act, so no further provisions are necessary.

### Seniors Programs Plney, Manitoba

**Mr. Conrad Santos (Broadway):** My question is directed to the honourable Minister responsible for Seniors.

In the Good Book there was a moral question that was asked: If you are asked for bread how come

you can give stone? Would you give stone when your children ask for bread?

Mr. Speaker, the small community of Piney has laboured hard with their volunteers, with their local resource council and some assistance from the public to build their local community centre so they can prepare their kitchen and they can have their congregate meal at least two times a week. They ask for assistance so they can have their congregate meals for their seniors, and this government again—

**Mr. Speaker:** Order, please. The honourable member for Broadway, kindly put your question now, please.

**Mr. Santos:** Can this government explain why they deny the funding for meals for senior citizens of Piney?

**Hon. Gerald Ducharme (Minister responsible for Seniors):** The member from across the way keeps wanting to go back to history. Maybe I can remind him of a little history. I do not have to go back too far, Mr. Speaker. He got up the other day on 55-Plus and he mentioned about history, about deindexing, et cetera.

They first introduced 55-Plus in '74. Mr. Speaker, do you know when they introduced indexing—in 1987. In the best years, '81, '86, when inflation was at its highest, do you know what they increased the 55-Plus—zero.

**Mr. Santos:** Will the honourable minister responsible for senior citizens stand up to his government's commitment to senior citizens, talk with his colleague and provide this funding for meals?

**Mr. Ducharme:** Mr. Speaker, this government, unlike the other government, have nothing to be ashamed of with their contribution to seniors. We will continue to work with all the departments on seniors, unlike that which I just proved a few minutes ago on the record.

**Mr. Santos:** When will this government live up to what they say they stand for, that they will provide for our senior citizens? Instead they cut the budget. They freeze the 55-Plus. They cut even meals for senior citizens. How can they do such a thing like this?

**Mr. Ducharme:** The member for Broadway should be embarrassed to get up and try to talk about seniors, of a government that I just showed a few

minutes ago gave absolutely no support for the seniors in Manitoba.

### Core Area Initiative Renewal

**Mr. James Carr (Crescentwood):** Mr. Speaker, I have a question for the Minister of Urban Affairs. We understand that tomorrow the minister will be meeting with Jake Epp and Mayor Norrie to discuss some issues of common interest to all three levels of government.

I would like to ask the Minister of Urban Affairs if renewal of the Core Area Agreement is on the agenda and what position does the minister take to the discussion?

**Hon. Jim Ernst (Minister of Urban Affairs):** I have indicated, Mr. Speaker, in the past, and I am happy to indicate again to my honourable friend that we are in discussions with both the city and the federal government with what we can do in terms of new initiatives for the core area of the city of Winnipeg, initiatives that will combine the resources of the city, the province and the federal government, to try and create a better climate, a better society for our people in the inner city of Winnipeg. We will be having some additional discussions when we meet again tomorrow. Those discussions will be ongoing until we finally reach an agreement.

### Public Hearing Process

**Mr. James Carr (Crescentwood):** Mr. Speaker, the minister has not told us what the position of his government is. His predecessor, the former Minister of Urban Affairs, had announced that there would be a timetable for public hearings to discuss and to evaluate the core area programs.

Since the timetable for those public hearings has come and gone, why has the current Minister of Urban Affairs reneged on the commitment made by his predecessor?

**Hon. Jim Ernst (Minister of Urban Affairs):** Mr. Speaker, as I have indicated to my honourable friend and to members of the House on previous occasions, you have to have three willing partners if you are going to have an agreement. We are in those discussions at the moment to try and determine what each of the partners is able to do, what they are prepared to do. Until such time as we come to an agreement on that, there is not much point in going out and raising the expectations of

people in the inner city and having them bring forward programs that may never get off the ground. We have to be able to deal in good faith with our partners in this arrangement, and we will continue to do that as we negotiate.

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

### Nonpolitical Statements

**Ms. Judy Wasylycia-Lels (St. Johns):** Might I have leave to make a nonpolitical statement?

**Mr. Speaker:** Does the honourable member for St. Johns have leave to make a nonpolitical statement? Leave? Agreed.

**Ms. Wasylycia-Lels:** Mr. Speaker, I have just returned from a celebration at Marymount marking 80 years of service, and at noon today this historic occasion was marked with celebratory activities and a reunion for all former staff and former residents, present staff and present residents of Marymount.

As all members know, Marymount has made an incredible contribution in our community. This 80 years is an incredibly long record of achievement and a long period of service. I think we all appreciate the kind of work of Marymount as a nonprofit agency under the sponsorship of the Sisters of the Good Shepherd, responsible for a vast array of residential and community-based treatment services for children, teens and their families in Manitoba.

On behalf of all members, I hope, in this House I wish to extend congratulations to the Sisters of the Good Shepherd, the staff and the students of Marymount on their 80th anniversary and wish them well with the support of all members in this House for many years of continued service.

Thank you.

**Hon. Bonnie Mitchelson (Minister of Culture, Heritage and Citizenship):** Mr. Speaker, might I have leave to make a nonpolitical statement?

**Mr. Speaker:** Does the honourable minister have leave to make a nonpolitical statement? Agreed.

**Mrs. Mitchelson:** Mr. Speaker, just on behalf of our government and the Minister of Family Services (Mr. Gilleshammer), who is still over at Marymount helping them to celebrate their 80th anniversary, I want to say that we on this side of the House recognize the longstanding commitment and the volunteer component to any organization that has survived and thrived in a very successful way over

many, many years to provide assistance for families throughout the city of Winnipeg.

\* (1420)

I want to commend Marymount. I want to wish them many, many more successful years. I know that all members of the House do share in those comments and sentiments.

Thank you.

**Mrs. Sharon Carstairs (Leader of the Second Opposition):** Can I have leave for a nonpolitical statement?

**Mr. Speaker:** Does the honourable member have leave to make a nonpolitical statement? Leave? Agreed.

**Mrs. Carstairs:** Mr. Speaker, I would like to join with the other members of this House to congratulate Marymount academy on its 80th birthday. I was there several weeks ago and spent three hours with staff and students examining in some detail the programs going on within that community.

It was also interesting to me that, as so often happens, nuns have records that nobody else ever has about anything. I had mentioned that I had a great aunt who had been a Sister of the Good Shepherd in Halifax. Before I left, they had produced for me a biography of her life which they had on record and distributed to me. That is, quite frankly, typical.

It was also, of course, typical to go through the facility and watch the care and attention to the detail of the community within that establishment so reflective of the kind of contribution they have made to so many agencies throughout this community and many other communities as well. They have a very diverse program. It is not only at the site itself. They have a number of group homes. They have a number of young women who have been with them for an extended period of time and some who have been there for just a short period of time. I must admit it came as somewhat of a shock to me to discover there were also some young men in the educational component, because I had always assumed it was a facility that only cared for young adolescent women in our community.

I, too, join in the congratulations on work well done for 80 years, work we hope they will continue to be able to do for many, many years to come.

### ORDERS OF THE DAY

**Hon. Clayton Manness (Government House Leader):** Mr. Speaker, I move, seconded by the Minister of Justice (Mr. McCrae), that Mr. Speaker do now leave the Chair and the House resolve itself into a committee to consider the Supply to be granted to Her Majesty.

**Mr. Speaker:** It has been moved by the honourable government House leader, seconded by the honourable Minister of Justice, that Mr. Speaker do now leave the Chair and the House resolve itself into a committee to consider the Supply to be granted to Her Majesty. Agreed?

**Mr. Manness:** Mr. Speaker, before you put this question to the House, I wonder if you also might ask the members whether there is a willingness to waive private members' hour.

**Mr. Speaker:** Is it the will of the House to waive private members' hour?

**An Honourable Member:** No.

**Mr. Speaker:** Leave is denied.

**Motion agreed to,** and the House resolved itself into a committee to consider of the Supply to be granted to Her Majesty with the honourable member for St. Norbert (Mr. Laurendeau) in the Chair for the Department of Culture, Heritage and Citizenship; and the honourable member for Seine River (Mrs. Dacquay) in the Chair for the Department of Education and Training.

### CONCURRENT COMMITTEES OF SUPPLY SUPPLY—CULTURE, HERITAGE AND CITIZENSHIP

**Mr. Deputy Chairman (Marcel Laurendeau):** Good afternoon. This section of the Committee of Supply meeting in Room 255 will resume consideration of the Estimates of the Department of Culture, Heritage and Citizenship.

When the committee last sat, it had been considering item 1.(a) Minister's Salary, \$20,600.

Just as a reminder, the honourable member for Radisson had given some closing remarks shortly before five last Tuesday. I will now recognize the honourable member for Inkster for his closing remarks.

**Mr. Kevin Lamoureux (Inkster):** Thank you, Mr. Deputy Chairperson. I wanted to make a few observations on the government and what the government has been doing in the past number of

months, possibly the past few years since they have taken office.

I do get an opportunity to go to a number of events. I take that opportunity to discuss different issues with different people. The issues I find that come up time after time we had dealt with quite extensively during the Estimates, but I did want to leave some closing remarks on the three biggest issues I perceive that come up time after time.

\* (1430)

The first one is, of course, English as a Second Language. The feeling in many ethnic cultural groups is that without quality English second language being taught, you are not allowing immigrants, in some cases immigrants who have been here for a large number of years, to be able to participate in society on an equal basis, because it is so important for all of us to have a very good understanding and working knowledge of English. It is something that, as I say, comes up time after time.

The government, and the minister responsible for ESL now, in fairness, has just received that responsibility. One would have thought that there would have been—I hesitate to use the words "better answers"—more detailed answers as to where the money, how much money is going and where that money is actually going to. I would anticipate that come next year we will be able to get those full detailed answers, because there are a lot of question marks in terms of what the real commitment is.

I do not believe that the government knows where ESL dollars are going to and that was demonstrated in the answers that we had received. We do not really know how much money is coming in from the federal government towards ESL. That concerns me, because we have to be able to put forward arguments as to why we feel Manitoba is entitled to more ESL dollars. In order to do that you have to know how much is currently coming into the province.

Mr. Deputy Chairperson, I also wanted to comment on the whole question of credentials, a very serious issue. These people who come from many different lands bring with them many attributes. One of those is their work experience or their educational background from their homeland. To not use or to not capitalize on that background information or education or work experience, we are

giving a disservice not only to the immigrant who has brought those skills to Manitoba or to Canada, but also to the province. The more we use the skills that we have, the more productivity, the greater our society will become.

So I would like to have heard more comments in regard to what the government is planning on doing to ensure that these individuals are in fact going to be recognized, some type of an idea of a timetable when we can anticipate stronger action from the government. We know that the government has put forward a working group. I know it is a time-consuming process, but it is very important that we act in a faster fashion than we currently are.

We can look to examples. I cited the example of the province of Quebec, where they are accumulating vast data banks in order to try and recognize the educational background or educational credentials, if you will. These are the types of resources that we should be contemplating on tapping into, instead of having to duplicate work and having to wait. The minister had pointed out 15 years or so, they have been working on it. We have only been working on it for the past couple of years.

Mr. Deputy Chairperson, I do not think Manitoba should have to wait a full 15 years to get at the stage that a province like Quebec is at. We should be able to find out what other jurisdictions are doing and pick and choose what we feel is the best way to work it. Ideally, it would be nice if we had a national program, but because the national government has chosen not to take a role in this issue, the province has been left with a major role to play when it comes to recognizing the credentials.

Another issue, the third issue, was in terms of government support to the multicultural community. Mr. Deputy Chairperson, during the past few hours of debate or number of hours of debate, we have gone around that issue from a number of different standpoints. The bottom line for us is, in fact, that multicultural grants have been cut by this government from MIC to MGAC.

**Hon. James Downey (Minister of Northern Affairs):** You wanted to eliminate them.

**Mr. Lamoureux:** The Deputy Premier says I wanted to eliminate them.

Had the Deputy Premier (Mr. Downey) listened to my opening remarks and in fact resolutions, bills that we have been putting forward, I can ensure him that the Liberal Party endorses multicultural funding

more so than the Conservative Party, because actions speak louder than words. Had we felt the motion that I had put forward would have passed, the government would have had to bring in a supplementary appropriation to fund multicultural groups. Many, including myself, would have hoped that money would have gone back to where it should be and that is, of course, to the Manitoba Intercultural Council for the disbursements.

That is really where we disagree with the government completely. We feel that the minister has done a disservice to the community by taking the funding responsibilities away from the communities that are most familiar with what is going on in the multicultural area and bringing it to a politically appointed board for distribution.

There is no doubt in my mind, Mr. Deputy Chairperson, that issue will continue to come back time after time, at least until we get a change in government and there is a change in policy, or if, in fact, the minister chooses to do what we believe is the proper thing and to give MIC back its funding capabilities.

That being said, it is important for us to contribute to the multicultural groups in the forms of grants. These grants ensure and, in part, make us very different from our neighbour to the south of us, because we do believe that preserving our culture and heritage and formulating and supporting a mosaic as opposed to a melting pot is, in fact, part of Canada's identity.

Another issue that I wanted to comment on was the whole question of immigration itself. For the past number of years, Mr. Deputy Chairperson, Manitoba has not done well through this government or the government in Ottawa when it comes to receiving our fair share of immigrants. That causes many people a great deal of concern.

In asking the minister responsible about what her government is doing, I was less than impressed to find out that it really has not been a hotly debated issue within cabinet. This is an issue which is very new to her and, for that reason, it has not been brought to her, I believe, 10-member multicultural committee.

\* (1440)

That is an issue that should have been brought up not only in her multicultural committee, it should have been brought up, I would argue, in cabinet. If, for whatever reasons, whichever minister was

responsible for it at the time, I would suggest to you that it was not given a high enough priority, because we are still receiving well below Manitoba's fair share of immigrants.

We know at the same time that this government is trying to figure out what they should be doing, we have other provincial jurisdictions that are making, or attempting at making, agreements with our national government.

Mr. Deputy Chairperson, when we see one government, in particular the province of Quebec, who has been able to negotiate more than their percentage of Canada's overall population, that in itself means that some provinces are not going to be able to get their percentage. Because this government has not been treating the issue seriously enough, Manitoba can and likely will, unless there is a change in attitude, lose out.

Mr. Deputy Chairperson, we know what immigration has done for Canada. You only need to look at the north end of the city of Winnipeg. In fact throughout Manitoba but in particular the north end of Winnipeg is all about immigrants. That is something we believe that the government has to put much more effort on. On that note I conclude my remarks and will look forward to the next debate on multiculturalism.

**Hon. Bonnie Mitchelson (Minister of Culture, Heritage and Citizenship):** Mr. Deputy Chairman, I will just make a few brief comments in response. The Liberal critic had said that we are not quite sure how much money we are putting into ESL. Well I will reiterate again that through my department we are putting \$1.174 million into Winnipeg School Division No. 1 where there is good quality and good standards for ESL training.

We can go back again to agreeing to disagree on how the multicultural community should be funded or through what vehicle. I will not again accept the comments made by the Liberal critic that there has been a decrease in funding. I will get officials from my department to sit down with both opposition critics, and I think in that way it will be easily explainable what has happened over the past number of years. In fact there is more money not less going to fund the community.

As far as immigration goes, that is the one area I want to spend just a couple more minutes, because it was at my request that the Premier (Mr. Filmon) brought up the issue of immigration at the Western

Premiers' Conference just this past week. I think the communique that was sent out is very self-explanatory, and I will just quote from that.

"Western Premiers discussed immigration, an area of growing national and provincial significance. They noted that under current constitutional arrangements, immigration is an area of shared federal and provincial responsibility. Immigration has been and will continue to be a significant factor in the social, cultural, demographic and economic development of provinces.

"A number of issues require immediate attention. The Premiers agree that Canada's immigration policies and programs should be made more effective by: explicitly linking annual immigration levels with the availability of federal and provincial settlement services, and incorporating provincial priorities for labour market and economic development; providing for greater provincial authority for the selection of immigrants, which is consistent with shared jurisdiction over immigration; and convening an annual federal-provincial forum to determine objective criteria for allocating federal funds for English as a Second Language (ESL) and other settlement programs, which reflect actual immigrant settlement patterns and costs, across all provinces.

"Accordingly, the Western Premiers recommended that: a federal-provincial meeting of Ministers responsible for immigration be held to discuss immigration policy and program issues."

We certainly will be pursuing that, because it is something we are in favour of. Hopefully by next Estimates we will have something to report back on the undertakings at that ministerial meeting.

**Ms. Marianne Cerilli (Radisson):** Unfortunately, I do not have a copy of that communique in front of me. It raises a question in my mind. Maybe I am not following, but is it saying that there will be a link between the number of immigrants coming to a province based on the services available and not based on the population that the province represents?

**Mrs. Mitchelson:** It says right here: "explicitly linking annual immigration levels with the availability of federal and provincial settlement services, and incorporating provincial priorities for labour market and economic development."

**Ms. CerlIII:** Can the minister describe if her interpretation is similar to what I am interpreting that as?

**Mrs. Mitchelson:** I would certainly hope, Mr. Deputy Chairperson, if we are providing more services than some other provinces for immigrants and if we can obtain the federal funding and the provincial funding to provide better services in this province, we would be given some extra consideration, especially in light of the fact that Quebec has more than its fair share of immigrants. That means some provinces will obtain less. So in fact if we are providing more services here, I think that should be a consideration. We should be given consideration based on that.

**Ms. CerlIII:** I would like to give this some more thought. Just overlaying that kind of a policy with a policy where provinces are essentially going to be competing with each other then in negotiating individually for agreements, it is going to set the stage for some interesting situations.

**Mrs. Mitchelson:** Mr. Deputy Chairman, it certainly will. I am certainly looking forward to negotiating an agreement with the federal government. At that point in time, I think we will put all of our cards on the table. We will indicate the services that we have available. We will try to clarify from the federal government, at that time, what they will be contributing to settlement and programming in the province of Manitoba. I would hope that, with our strong support for immigrants and immigration to our province, we would be able to achieve our goal.

**Ms. CerlIII:** Does the minister have an understanding of the provincial responsibility for nonrefugee immigrants in terms of dollars for training in English as a Second Language and if that is based on the number of immigrants—this is just in terms of provincial money? What is the basis for how much money they are going to allocate to those services?

**Mrs. Mitchelson:** Mr. Deputy Chairperson, I do not believe it is done on an immigrant-by-immigrant or refugee basis. As a province, we have responsibility also for ensuring that those who are not just refugees, not only new immigrants either, but all of those who have the inability to speak and understand English in a fluent way. We accept the responsibility for training those people too, so it is not just refugees. It is not done on a refugee-by-refugee basis.

We have put \$1.174 million into Winnipeg No. 1 for ESL training. People come forward and request the training, and they are put into the system.

**Ms. CerlIII:** The questions that I have are arising from a conversation I had this morning with staff with Canada Employment and Immigration. I am concerned that there will be a change towards having funding based on the number of immigrants. Also, there does not seem to be any federal responsibility for language training for immigrants who are not refugees.

From the minister's understanding, can she clarify that?

**Mrs. Mitchelson:** I believe at this time that the federal government does concentrate their effort on refugees and government-sponsored immigrants. I know that at times the money that is allocated to the province is used in other ways, but it appears that the federal government is looking at government-sponsored refugees as their priority.

I guess that would indicate why it might be so crucial to move on with getting an immigration agreement, so that in fact it could spell out what federal responsibility would be, what provincial responsibility would be and what kind of funding would be coming to the province for settlement programs of all kinds.

\* (1450)

**Mr. Deputy Chairman:** Item 1.(a) Minister's Salary, \$20,600—pass.

Resolution 21: RESOLVED that there be granted to Her Majesty a sum not exceeding \$1,617,700 for Culture, Heritage and Citizenship for the fiscal year ending the 31st day of March, 1992—pass.

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

The next area of Estimates that will be considered by this section of the Committee of Supply is Lotteries. Shall we briefly recess to allow the minister's critics an opportunity to prepare or are they ready?

**Mrs. Mitchelson:** I have to get my staff, so it will take a minute.

\* \* \*

**Mr. Deputy Chairman (Marcel Laurendeau):** We are now commencing consideration of Lotteries. Does the minister responsible have any opening statements?

**Hon. Bonnie Mitchelson (Minister charged with the administration of The Manitoba Lotteries Foundation Act):** Yes, I do. I have copies for the critics.

I would like at this time to present a brief statement on Lotteries in the Province of Manitoba. The fiscal year 1990-91 represented another year of forward movement in the gaming industry in Manitoba.

Manitoba Lotteries Foundation's net revenue for 1990-91 is estimated at \$60 million, a 10.5 percent increase over last year. This was due in large part to the first full year of revenue from the Crystal Casino. The increase represents a competitive response to the realities of a new consumer market, one more cautious with its discretionary spending.

The Crystal Casino continued to set the standard for casinos in Canada. 1990 saw the establishment of a cosmopolitan tourist attraction and a successful revenue generator. A special note is the restoration of a second front entrance of the historic Hotel Fort Garry, an architectural feature closed since the late 1940s, once designated as the Ladies Entrance. The second set of main floor doors once led to a waiting room for female hotel patrons, so that they could check their hair and attire in privacy before entering the hotel.

The hotel underwent extensive renovations in the late 1940s and early 1950s, and it is likely that this entrance was closed at that time. The restoration of this entrance, as the designated Crystal Casino entrance, enhances this important historical site and returns it to its original look.

Lottery ticket products comprise the major portion of gaming profits with revenue estimated at \$44 million. A unique new product was introduced to Manitobans this past year. The Endangered Species, the series of instant lottery tickets depicting Manitoba's endangered species was created, with proceeds designated for the special conservation fund administered by the Department of Natural Resources. The ticket has been well received by the Manitoba public, increasing awareness of the plight of endangered species, as well as focusing upon some of the worthwhile programs lottery revenue supports. Sport Select, a new sports wagering game was also introduced this past year.

Manitoba's breakopen ticket product line was designed to focus upon nonprofit community-based events or groups. The Blue and Gold breakopen tickets sold at Blue Bomber home games benefitted

the Winnipeg Blue Bombers football club, as well as the hundreds of licensed organizations selling the tickets. This led to the creation of the breakopen bonspiel tickets sold during the World Curling Championships held in March.

The record number of tickets sold at these events show us the importance of supporting special events held in Winnipeg. Manitoba Marathon and Grey Cup tickets are in development.

Over 1,800 organizations benefitted from Manitoba's lottery licensing system. Charitable and religious organizations throughout Manitoba raised funds through bingos, raffles, the sale of breakopen tickets and other licensed events. Revenue was returned to the community organizations directly through their own volunteer-operated events.

A major initiative of the Security and Licensing division is the creation of Indian gaming commissions. January 1990 saw the creation of The Pas Indian Gaming Commission, the first Indian gaming commission in Manitoba. Through a co-operative effort of the Manitoba Lotteries Foundation, the Department of Native and Northern Affairs and the Justice Department, negotiations with Indian gaming bands continue.

On May 9, we signed the second Indian gaming commission agreement with the West Region Economic Development Corporation representing nine Indian Bands. Discussions with other bands have been encouraging. Manitoba is proud to offer this model of negotiated resolution on this issue.

The role of the Manitoba Lotteries Foundation is to offer a socially acceptable mix of gaming products to Manitobans. A controlled and organized approach to gaming activities has been and will continue to be the standard for the Manitoba Lotteries Foundation.

The 1990-91 fiscal year just completed saw the first complete year of operation of the Lotteries Distribution System within the community support programs. I am very pleased to report that the objective of providing management and co-ordination to the distribution of lottery funds through government departments, as well as providing information accessibility to the people of Manitoba, has been met successfully.

The Lotteries Distribution System office has proven to be a valuable asset to community organizations seeking assistance in accessing the Lotteries system. This has resulted from a

consistant co-ordinated approach to the distribution of lottery revenues throughout Manitoba.

Manitoba's unique Lotteries Distribution System was revised in 1989 to ensure that it could be flexible enough to respond to changing needs and priorities. Our ongoing commitment to art, sport, multicultural conservation, heritage, community service and health care programs continues to enrich the lives of all Manitobans.

Revenues from gaming activities in Manitoba has been designed to improve the quality of life available in our province. Good things are happening in our communities.

Lottery revenues assist a wide variety of exciting and important organizations. These volunteer-based groups represent the committed Manitobans who know how to make a difference.

I am pleased that Manitoba's gaming revenues helps these organizations enhance their own community-based projects and programs. Each year gives us the opportunity of ensuring that our province can continue to offer the quality of life Manitobans expect.

Thank you.

**Mr. Deputy Chairman:** Does the critic from the official opposition party, the honourable member for Selkirk (Mr. Dewar), have any opening statements?

**Mr. Gregory Dewar (Selkirk):** No. Actually, I think I will waive my opening statement and go directly into questions.

**Mr. Deputy Chairman:** We thank the honourable member. Does the critic for the second opposition party, the honourable member for Inkster, have any opening statements?

**Mr. Kevin Lamoureux (Inkster):** No.

**Mr. Dewar:** I was wondering if the minister could explain to us which games are making money and which games are sliding?

**Mrs. Mitchelson:** I am informed that all of the games are basically stable or fluctuate up and down very slightly, but none of them are losing money.

\* (1500)

**Mr. Dewar:** Could you explain those trends? Like, why would some be losing? Would you know that?

**Mrs. Mitchelson:** Mr. Deputy Chairperson, I guess there are fluctuations based on the size of the pot sometimes. For example, with the 649, if in fact there is a larger pot, ticket sales are higher and there is more revenue generated in those instances.

**Mr. Dewar:** I noticed that the minister failed to mention the marketing division of the Western Canada Lottery Corporation being moved out of Winnipeg to Stettler, so maybe I will have some questions on that. How many jobs did Manitoba lose when the marketing division moved to Stettler, Alberta?

**Mrs. Mitchelson:** The number of positions that will be relocated to Stettler is 52 positions. Five of the people presently have indicated that they will transfer to Stettler.

**Mr. Dewar:** They may have been relocated, but they are Manitoba's loss. How many people work at the Western Canada Lotteries Foundation headquarters here?

**Mrs. Mitchelson:** Approximately 200 employees.

**Mr. Dewar:** So that is about 25 percent of the—

**Mrs. Mitchelson:** Yes.

**Mr. Dewar:** What would be the payroll of the 52 employees who left—approximate payroll?

**Mrs. Mitchelson:** About \$2 million.

**Mr. Dewar:** Can the minister explain to us why we lost those jobs?

**Mrs. Mitchelson:** Well, Mr. Deputy Chairperson, if I could go back to when the NDP were in power and the former minister responsible for Lotteries was faced with the same situation, Alberta had indicated at that time that they would like to see head office jobs in Manitoba, and I believe the position of the NDP government of the day was that rather than transfer any jobs to Alberta, we would rather discontinue operating Western Canada Lotteries Corporation. If that had been the case we would have lost close to 100 jobs here in the province, because jobs that would be maintained if we were not part of a three-province corporation, we would not have required the number of staff. So we could have lost twice as many jobs as a result of us separating from Western Canada Lottery.

When we became government, we started a negotiation process and met with the other two provinces, and I guess there was some agreement that, in fact, we had to share some of the economic benefit. Alberta was the province that did 60 percent of the ticket sales and yet they did not feel they were getting their share of economic benefit. So, in fact, it was not something that we approved of specifically. It was not the direction we wanted to take, but we were one of three partners and the other two provinces felt that Alberta should be recognized

for the revenue that they generated in some way. So, the losses were kept to a minimum, but it was something that had been ongoing. Maybe if the former administration had still been in power we would have seen the corporation split up and over 100 jobs lost from the province.

**Mr. Dewar:** What assurances does this minister have that no more jobs will be lost?

**Mrs. Mitchelson:** Mr. Deputy Chairperson, I can never give complete assurance that there will not be more jobs lost, but there has been a commitment by the three provinces that, in fact, this, for now anyway, will satisfy Alberta. There is a sense that we want to move on with new initiatives through Western Canada Lottery, and all provinces are onside. So, just as we have made the decision that the corporation is going to continue to operate the way it is presently, I can never give assurances forever and a day that there will not be more demands at some point in time. For the time being, we have a corporation that is still together, and we have kept the job loss to a minimum, recognizing Alberta's desire to have some of the economic benefit.

**Mr. Dewar:** Yes, can the minister tell us: Is Saskatchewan now demanding jobs?

**Mrs. Mitchelson:** No.

**Mr. Dewar:** Well, that is reassuring. Can she explain the negotiating procedure that takes place with other ministers on this particular issue?

**Mrs. Mitchelson:** Well, Mr. Deputy Chairperson, I guess it is a matter of, when you have three partners in a corporation of some sort, there have to be some fairness and some equity. It has been a longstanding problem. Alberta is the major player. They represent about 60 percent of the ticket sales for the corporation.

The head office was in Winnipeg, and they felt that they ultimately would have loved to have had the head office relocated to Alberta. We were not prepared to do that. We could have given a couple of ultimatums. We could have said, no, we will not move any jobs. If you feel you want jobs in Alberta, take the jobs and go. We do not want to be any part of the corporation. We chose not to do that as any negotiation process.

I do not know if the member for Selkirk (Mr. Dewar) has ever been involved in negotiations. You know, and I am sure you understand, that when there are union negotiations that, in fact, there is

give and take on both sides. You come to a decision, hopefully, down the middle somewhere where both sides can live with the agreement that is finally reached. We sat down, we talked about it. Saskatchewan, being a province that did not want any jobs, was one that facilitated some of the negotiations at some point in time when they felt that it was to their benefit to keep the corporation together.

It really was to the benefit of Manitoba to keep the corporation together, too. We would have probably experienced fairly major losses in lottery revenues as a result of our not having as large a market to attract ticket sales and to share in those benefits. So it was a process where we sat down, we discussed, went back and forth like any other negotiation process, and the end result was a result that we could live with.

**Mr. Dewar:** Who made that final decision? Was it the Premier (Mr. Filmon) or was it the minister?

**Mrs. Mitchelson:** It was the negotiation of the three ministers responsible for Lotteries across the three provinces. In fact, it was an agreed-to decision by all three ministers.

**Mr. Dewar:** Do you feel that the Premier of Alberta put any pressure on the Premier of Manitoba?

**Mrs. Mitchelson:** I would believe that we indicated clearly that we wanted the impact to be minimal on the province of Manitoba. I just have to go back again to the fact that when the NDP were in power, the minister stood up and very clearly indicated, we are not going to move any jobs to Alberta.

Alberta, when we became government, was saying to us, we want jobs, and if we are not going to get jobs from Western Canada Lottery, we are going to disband the corporation. Alberta is the only province that could succeed in a more viable way with that kind of thing happening. It made good business sense to keep the corporation together. There was a minimal loss for the province of Manitoba, and we felt it was the right way to go.

**Mr. Dewar:** I was wondering how much this move is going to cost the Western Canada Lottery foundation.

**Mrs. Mitchelson:** It is going to cost the Western Canada Lottery Corporation around \$2.7 million. Our share of that cost will be about 25 percent.

**Mr. Dewar:** Is the foundation utilizing the extra space that it has now in the building?

**Mrs. Mitchelson:** Mr. Deputy Chairperson, the move has not taken place yet, and it will not take place until the fall of this year.

**Mr. Dewar:** It will not take place until they build the facilities in Stettler, Alberta, which are nonexistent I believe at the time. I was just wondering how much money was lost during the casino strike of last year?

**Mrs. Mitchelson:** Our indications were that after the first full year of operation, we would generate \$10 million in revenue. The final total after a two-month strike, the revenue that was generated was \$8.7 million.

\* (1510)

**Mr. Dewar:** What would be the daily income of the casino, approximate daily income?

**Mrs. Mitchelson:** Approximately \$30,000 a day. It fluctuates of course based on what day of the week it might be.

**Mr. Dewar:** What would the strike have cost in terms of revenue to the casino?

**Mrs. Mitchelson:** Mr. Deputy Chairperson, it is hard to determine what the cost would be. Instead of us realizing after the first full year of operation \$10 million, we generated \$8.7 million. We will have to take a look at what the next full year of operation will be since the strike and be able to give an accurate figure on what we believe we would be able to achieve on a year-by-year basis.

**Mr. Dewar:** Can you tell me what the negotiated settlement will be costing the operation with the workers?

**Mrs. Mitchelson:** Approximately \$100,000.

**Mr. Dewar:** So \$100,000 to settle and revenues were down \$1.3 million—interesting mathematics. When does the current contract run out?

**Mrs. Mitchelson:** Mr. Deputy Chairperson, the contract did run out on March 1, but they have applied for final offer selection.

**Mr. Dewar:** What is the pay scale at the casino, the range?

**Mrs. Mitchelson:** Mr. Deputy Chairperson, the salaries range from \$7 per hour to about \$16 per hour with tips added on to that, tips approximately \$5 per hour, anywhere from \$2 to \$5 the range per hour per tips.

**Mr. Dewar:** What would be the average wage then?

**Mrs. Mitchelson:** Mr. Deputy Chairperson, my understanding is that has to be weighted. It will take

a few minutes to figure that out. Maybe we could come back to that answer. Maybe you could ask another question or two, and we will come back and provide the answer.

**Mr. Dewar:** What about sexual parity? Would there be more men or more women working there?

**Mrs. Mitchelson:** Ask Albert. He is a frequent—

**An Honourable Member:** How much are you down, Albert?

**Hon. Albert Driedger (Minister of Highways and Transportation):** One quart. Bonnie, seeing I go there once in a while, maybe I should answer the questions, eh.

**Mrs. Mitchelson:** Is the question just for the casino?—73 females and 66 males.

**Mr. James Carr (Crescentwood):** Mr. Deputy Chairperson, I would like to ask the minister some questions about advertising policy for Lotteries in Manitoba. Who is responsible for what we see on the air?

**Mrs. Mitchelson:** Western Canada Lottery Corporation.

**Mr. Carr:** What is the relationship between us and them? Do we have any input into what viewers finally see on the air?

**Mrs. Mitchelson:** If I can explain how Western Canada Lottery operates first of all, then I will answer that. Each province has two board members on the Western Canada Lottery Corporation. The board members in the past have not had as much direct hands-on in approval of the advertising campaigns. Since the last one was pulled, the Pogo ads, I have directed my two board members who sit on the Western Canada Lottery Board to take a much more hands-on approach to view the ads and ensure that they are not offensive, in fact, before they are aired.

**Mr. Carr:** Many of the ads are offensive. They tend to be sexist; they portray women as blundering blonds, and have. They appeal to dreaming and scheming. They leave the impression that all you have to do is buy a lottery ticket and somehow your life will be changed forever. They appeal to base interests and, frankly, Mr. Deputy Chairman, when I watch them I am embarrassed, and I am not a prude by nature. Many of them are shameful, because they bring out lust, greed, and they appeal to what is not best and finest about the human character. I would be interested in knowing if the minister agrees with that assessment and if she has

instructed her representatives on the board of the corporation to advertise in a way which would be more acceptable to the viewer.

**Mrs. Mitchelson:** Mr. Deputy Chairperson, I would be interested in knowing what specific ads. I believe that in the past we have had some problem, and we may still experience that on the odd occasion, but when we talk about the ads being sexist, I know the one that we pulled previously—

**An Honourable Member:** Was that one, oh, my hero?

**Mrs. Mitchelson:** No, chickie, chickie, the chickie, chickie one where they had this sort of greasy male character sort of having an appeal to, or attempting to appeal to, all women. We had calls on both sides of that issue as a matter of fact. There were women who called and said the ads were sexist against women. We also had men call and say that the ads did not portray the male image in the proper manner. So there were calls on both sides of that issue, and we did pull the ad.

I have instructed my board members to take a more sensitive look at the ads in the future, and I do trust their good judgment that in fact if there is something that they perceive to be offensive in some way, in fact it would not be approved.

**Mr. Carr:** Is the foundation planning any expansion of the gaming industry in Manitoba? Do they plan to open more casinos? Do they plan to introduce more games? Do they plan to allow more licences to be granted? What is the trending and the direction that the corporation wants to take us? Are we staying the course? Are we enhancing, improving, expanding the gaming industry, or is there some sense that perhaps maybe it is time to pull back a little bit? Which way are we going?

**Mrs. Mitchelson:** Mr. Deputy Chairperson, I guess through the Western Canada Lottery Corporation we are studying video lottery terminals, as a corporation, and they are test marketing them in Alberta this summer.

As far as casinos, there are no plans for new casinos in the province of Manitoba.

As far as licensing, people apply for licences, and they are not turned down unless they do not meet the criteria. Everyone who does apply for a licence who falls within the criteria does receive one.

\* (1520)

**Mr. Carr:** I see the figures year over year in the annual report that the committee is debating today,

but I would be interested in knowing what the overall trending is in Canada, indeed across the world. Is the gaming industry growing? How quickly is it growing? What does the corporation anticipate to be its revenue base next year, two years, three years down the road?

**Mrs. Mitchelson:** Growth in revenue is basically static. Increases that do occur are mainly as a result of new jurisdictions, the midwestern States, for instance, that had never been in gaming activities entering into gaming activities. If you are looking at an overall global picture, probably there has been an increase in gaming revenue, but it is because there are areas that were not in the industry before and are now in.

As far as Manitoba goes, I guess basically we are pretty stable in our Lotteries revenues over the last few years. There has not been any major increase. The only increase, or noticeable increase, would be as a result of the casino opening.

(Mr. Jack Reimer, Acting Chairman, in the Chair)

**Mr. Carr:** Mr. Acting Chairman, some of these states immediately to the south of us have become much more aggressive in the gaming industry. Many hotels in North Dakota advertise blackjack casinos. What is the policy of the government in attracting tourists to Manitoba using the gaming industry as a hook, or as an attraction? Has there been any change in the government's position since last year?

**Mrs. Mitchelson:** The only hook we might have at this point is the Crystal Casino and about 25 percent of the traffic through the casino is tourist attraction.

**Mr. Carr:** Mr. Acting Chairman, my question was, are we using that attraction in our tourism advertising? Are we boastful of the gaming opportunities that we "enjoy" in Manitoba as a way of luring tourists to our province rather than to other places where they may not have such a fulsome range of gambling choices?

**Mrs. Mitchelson:** Mr. Acting Chairperson, there is some marketing and some advertising done in the southern states, in southwestern Ontario, southeastern Saskatchewan and North Dakota, so we are using it in our tourism advertising as an alternative form of entertainment.

**Mr. Carr:** Does the minister think that is an appropriate use of our tourism advertising dollar?

**Mrs. Mitchelson:** Mr. Acting Chairperson, we do not use the Manitoba government's tourism dollars

to advertise the casino. If the casino piggybacks onto tourism advertising, it is paid for by the Manitoba Lotteries Foundation.

**Mr. Dewar:** I was going to pick up again when he was talking about video lotteries scheme. Is the minister considering introducing this scheme into Manitoba?

**Mrs. Mitchelson:** I think every province across the country is studying it. I indicated we are studying. There has been no firm decision made yet. The Western Canada Lottery Corporation is going to test market it in Alberta this summer.

**Mr. Dewar:** Do you know, in your considerations of this project, whether the machines will be owned by the government or will they be owned by private enterprise?

**Mrs. Mitchelson:** That is something that is being studied, too. There is no decision made on that.

**Mr. Dewar:** When the foundation pulled those Pogo ads, do you know how much money was lost?

**Mrs. Mitchelson:** The total cost to the Western Canada Lottery Corporation was about \$230,000.

**Mr. Dewar:** Where are these ads made?

**Mrs. Mitchelson:** In Alberta.

**Mr. Dewar:** Are they tendered out?

**Mrs. Mitchelson:** They are done by an agency of record in Alberta and that agency is determined by tender.

**Mr. Dewar:** I want to speak about lottery terminals. What is the criterion that the department uses in determining the placement of a lottery terminal?

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**Mr. Dewar:** I want to speak about lottery terminals. What is the criteria that the department uses in determining the placement of a lottery terminal?

**Mrs. Mitchelson:** Mr. Acting Chairperson, anyone can apply for passive tickets. Those are instant tickets, scratch tickets. When they reach a sale level of around \$30,000 per year, then they would be eligible for a terminal.

**Mr. Dewar:** So it is based upon dollar figure per year? What about location or security?

**Mrs. Mitchelson:** There also is consideration given to location and security. If there is one very closely adjacent, that would be taken into consideration, too. There is a licensing division of the Manitoba Lotteries Foundation that deals with all of the requests.

**Mr. Dewar:** Last year, at the Selkirk Friendship Centre there was a robbery following a bingo. I believe there was one in Winnipeg as well. What actions has this minister taken to improve security at these bingos?

**Mrs. Mitchelson:** If it is a licensed bingo that the Manitoba Lotteries Foundation licences, all we do is provide the licence. It is up to the organization that is holding the bingo to provide their own security.

**Mr. Dewar:** Will this minister investigate the possibility of establishing some sort of a security program or policy?

**Mrs. Mitchelson:** Mr. Acting Chairperson, I do not really know what the member for Selkirk is leading to. Is he indicating that we should send Lotteries Foundation staff out as security to the community bingos? I think you would probably find the bingo organizations would not agree with that kind of thing, because it would minimize their profits and the amount of money they could spend on community activities.

\* (1530)

**Mr. Dewar:** No, I am thinking maybe guidelines for volunteers, simple procedural security measures that could be followed.

**Mrs. Mitchelson:** Mr. Acting Chairperson, there are about 800 licences given out per year for community bingo activities. There are consultants. There are three staff at Manitoba Lotteries Foundation that do work with the community organizations that are asking for bingo licences. In fact, I guess there have been two robberies over—I know it is always a concern. Nobody wants to see especially a community organization with a lot of volunteers having their money taken in such a manner, but with the number of licences that are provided we have not noticed a high incidence.

**Mr. Dewar:** I talked to some of these groups, and they are looking to the foundation for some guidance, and they are not getting any. They are very concerned. These are armed robberies.

**Mrs. Mitchelson:** There are some things in place through the Manitoba Lotteries Foundation, but if there are some specifics where there is an organization that feels that they are not getting enough assistance, I would certainly like to hear about that. I have attempted since becoming minister to ensure there is a focus on service for the volunteer community out there that really worked so very hard to generate revenues for very worthwhile community projects.

We have tried to put more of an emphasis on customer service, and if in fact there are some organizations I would like to know that. I am sure staff at the Manitoba Lotteries Foundation would like to know that, if there are any changes in the structure of the organization that an emphasis should be placed in that way, in that manner.

**Mr. Lamoureux:** I wanted to pick up on something that the member for Crescentwood (Mr. Carr) had brought up. That is, of course, the advertising.

Mr. Acting Chairperson, I have always been of the opinion that government should lead by example. When I say government, I am not only referring to the government departments, but I am also referring to those corporations that are government-sponsored, if you will. You turn on virtually any channel, even our own CBC, and you find that there are many different types of TV commercials that many individuals find somewhat offensive.

I would like to see, and many people expect, government to spend their, how should I say, advertising dollars in the best of taste. Government can advertise, in my opinion, have those commercials that are being advertised. Government should be aware of them prior to their being advertised.

I know the minister made reference to the chick chickie chick or whatever that particular commercial was. I do not believe that one was aired, I do not watch commercials, it was aired in Manitoba. I know that there were some very offensive commercials that had started off in Alberta. At least I was under the impression that they had started off in Alberta.

It was actually a reporter who had come up to me and asked me to comment on it. I did not hear about the commercial and had understood that the minister had interfered to ensure that the

commercials were not going to be coming to Manitoba. Did that in fact happen?

**Mrs. Mitchelson:** Pardon?

**Mr. Lamoureux:** Did that happen?

**Mrs. Mitchelson:** Yes, it did. It was on the POGO commercials. There was a sense before it was even to be aired here in Manitoba that it was offensive to mothers, I think. I indicated that if in fact there were people who were going to be offended by a commercial, I did not want to see it aired here in Manitoba, so subsequently it was not aired.

**Mr. Lamoureux:** In many cases, when you advertise through the TV you have an advertising package that includes your newsprint, radio and so forth. Was the same thing done for the other media outlets for that?

**Mrs. Mitchelson:** There were some very basic differences in the TV advertising as opposed to the paper advertising, and the line that was deemed to be offensive in the TV advertising was not in the other forms of advertising so, in fact, they went ahead and the TV was pulled.

**Mr. Lamoureux:** I understand that each province has two board members, but is there something in place that looks at the advertisements and advises the minister and advises the board members? If there is, I would ask what it is and how it goes about being pulled?

**Mrs. Mitchelson:** Subsequent to this ad being pulled, and the concern that we are not using our advertising dollars, obviously, in the best manner if we have an ad in its final stage that we do not feel can be aired, I have asked the board members to take a more active role in analyzing the ads before they get to their final finished product. Of course, that will be a recommendation that they will be going forward to the board with, asking if they can have a little more hands-on control.

**Mr. Lamoureux:** I would ask the minister what happens if Manitoba decides to pull an ad? Are we compensated at all for not playing those ads? Is there anything that happens as a result of us pulling it?

**Mrs. Mitchelson:** No.

**Mr. Lamoureux:** So we would have, in fact, paid for the ad?

**Mrs. Mitchelson:** All three provinces did pay, and all three provinces pulled the ad.

**Mr. Lamoureux:** The advertising agency is tendered, as I understand, in Alberta. Is that where

they come up with the ideas, or if we get some ideas in Manitoba, is it funneled through our board members? How does that work? If we feel, for example, that there are certain things that we want to highlight—if you go through the annual report, you will find that the different tickets fluctuate in terms that some sales increase, some sales go down. If we felt that it is in our best interest to advertise this type of ticket as opposed to a different ticket, what influence do we have other than the two board members? Can we go in our own direction if we so choose?

**Mrs. Mitchelson:** Each province has two board members and, in fact, they take ideas forward to the board. Ultimately it is the majority of the Western Canada Lottery Corporation Board members who make a decision. In some instances, there is flexibility on tickets. If the corporation decides to go ahead with a new ticket and it is agreed to—well, it would be agreed to by two-thirds of the board—it would proceed. Not every province, in fact, though, does have to go with the ticket if they do not want to. In some cases, provinces can determine what tickets they do want.

In the case of the Endangered Species ticket, there was a decision that all provinces would go ahead with a \$5 scratch ticket. Manitoba, because of the profile we wanted to put on conservation and endangered species, chose that theme for our ticket. Both Alberta and Saskatchewan did not consider that a priority and they went with Casino Royale, just a standard, generic ticket, but we decided to place an emphasis on conservation and so we chose the endangered species tickets. We all had the same tickets. They called it something different in selling it in their provinces. We decided what we would do with our tickets.

\* (1540)

**Mr. Lamoureux:** Can or does the province enter into any advertising agreements on its own or, for example, if Saskatchewan wants a certain type of a commercial in Alberta and Manitoba, is it all one package? You are in it whether you support it or not after the votes have been taken?

**Mrs. Mitchelson:** Mr. Acting Chairperson, there is one advertising agency for the corporation and economically it would not be feasible for each province to have their own advertising at this point. It is one ad agency that does the work for all three provinces.

**Mr. Lamoureux:** The casino itself has advertising and I am wondering who does the commercials for the casino.

**Mrs. Mitchelson:** Mr. Acting Chairperson, Western Canada Lottery Corporation has the responsibility for the ticket sales.

The casino is the Manitoba Lotteries Foundation. It is not part of a Western Canada Lottery initiative. There are certain things that each province can do independently. There are certain things that it is feasible to do through the Western Canada Lottery Corporation because, as I said, it is more economically feasible. You want a larger market share to spread the number of tickets over so, in fact, there are greater ticket sales, therefore maximizes profit. The casino is our initiative and that is an initiative of the Manitoba Lotteries Foundation, so we are independent of Western Canada Lottery.

**Mr. Lamoureux:** Given that we are independent, who is the advertising agency, if you will, for the Manitoba Lotteries Foundation?

**Mrs. Mitchelson:** Foster/Marks.

**Mr. Lamoureux:** That is a Winnipeg or a Manitoba-based company, is it?

**Mrs. Mitchelson:** Yes.

**Mr. Lamoureux:** Mr. Acting Chairperson, the advertising that goes through there, does that go through the board here in Manitoba?

**Mrs. Mitchelson:** Yes it does.

**Mr. Lamoureux:** I wanted to move on to another issue in which Saskatchewan entered into—I think it was two years when we first started it, and that was to tax tickets. I am interested in knowing if the government, if the minister has looked into—I am not asking her if she has considered doing it here in Manitoba—some of the costs to the lotteries association as a direct result of that, I think it was 7 percent, tax. I am not sure.

**Mrs. Mitchelson:** Mr. Acting Chairperson, the revenue generated by each province through the Western Canada Lottery Corporation is determined by the amount of ticket sales per individual province. Saskatchewan had a major decrease in ticket sales as a result of the tax but it directly affected their revenue because, of course, they had a lower percentage of ticket sales and therefore got a lower percentage of the return back to the province. It did not impact the other two provinces.

**Mr. Lamoureux:** Mr. Acting Chairperson, the minister might not have at hand or maybe has not

looked at it, but I am interested in knowing what type of decrease in sales Saskatchewan would have had as a direct result—just approximate. It is more so out of curiosity than anything else.

**Mrs. Mitchelson:** Mr. Acting Chairperson, it is pretty hard for us to have accurate details on Saskatchewan, but we can estimate in the range of about 25 percent decrease in ticket sales.

**Mr. Lamoureux:** I think that in itself says a lot about how one should be collecting taxes when it comes to lotteries. I would expect the minister, if she has given it any thought, and there is no reason why I say that she might have given thought, I hope she has not given that thought. Has she ever given any consideration to the taxing of the winnings, or did the corporation or the government?

**Mrs. Mitchelson:** Mr. Acting Chairperson, I think the experience from the United States indicates, because they do tax their winnings, that our games are much more productive and have much more positive sales, so there is really no inclination to tax winnings at this point.

**Mr. Lamoureux:** Mr. Acting Chairperson, nor am I suggesting that we actually tax them.

I would want to move into the Crystal Casino and go into the daily attendance. Are we looking at increased daily attendance? Is there an estimated average number of people?

**Mrs. Mitchelson:** There are approximately 390,000 visits per year. It fluctuates somewhere between 30,000 and 35,000 visitors per month, and it has been pretty stable.

**Mr. Lamoureux:** Mr. Acting Chairperson, when we started the advertising for the casino, the minister had made reference that we advertise in the western part of Ontario, eastern Saskatchewan, North Dakota. She mentioned that we get—25 percent of the casino's business is, in fact, out of town. Is it fair to say that is where 95 percent of them are coming from?

**Mrs. Mitchelson:** We have had visitors from as far away as Europe, but we do get the business traffic, the business person who comes into town on business and goes to the casino for a form of evening's entertainment.

**Mr. Lamoureux:** Mr. Acting Chairperson, to the minister, are we receiving any type of indication that we actually have people who are coming to Winnipeg as a direct result of the casino? I know I always hear from people who are going to

Edmonton to visit the West Edmonton Mall, now the casino is no West Edmonton Mall. Does the casino have any impact on people in terms of, well, I am going to go to Winnipeg to go to the casino? Is it that strong of a drawing card for the government or for Manitoba?

**Mrs. Mitchelson:** Mr. Acting Chairperson, it is my understanding that it is a pre- and post-convention draw at times. People do come a couple of days earlier or stay a couple of days later, you know, when they are coming to Winnipeg for a convention. We have had bus tours also attend.

**Mr. Lamoureux:** It is interesting in terms of the bus tour. Is that bus tours that are just going through different provinces and then they are enticed to come to the casino, or are these bus tours that are actually coming up to Winnipeg strictly for the use of the casino and then going back? I know, for example, that we have bus tours that will go to an American city for the weekend to stay there for a couple of tourist attractions, if you will, and then come back. Are we getting that type of traffic for the casino?

\* (1550)

**Mrs. Mitchelson:** Mr. Acting Chairperson, there have been bus tours that have been specifically organized to come up to the casino, and those are the only ones that I am aware of.

**Mr. Lamoureux:** The people that are coming from out of town to gamble at the casino—there is an estimated profit, let us say, of \$10 million, and we get approximately 25 percent from out of town. Is it safe then to assume that we are getting approximately \$2.5 million from them, or are we finding the out of town people are, in fact, spending—well I should not say spending, possibly losing—more when they come to the casino?

**Mrs. Mitchelson:** Well, Mr. Acting Chairperson, it is pretty hard to tell because we do not know exactly what they are doing. Some are playing on the slot machines and some are at game tables. We do not know as people walk in the door. We do know from surveys, which might be done as people do come in the door, where they are from, but we do not monitor them while they are there to see how much they are spending at the slot machines or at each individual card table.

**Mr. Lamoureux:** So, I guess, we are probably looking in and around that 25 percent. Mr. Acting Chairperson, on numerous occasions we hear about, if I can use the word "freebies" that are given

to customers that visit the casino, and I know it has upset many individuals.

(Mr. Deputy Chairman in the Chair)

On my way to work, often I will listen to CJOB and you will get an irate citizen calling and talking about these freebies. In fact, I have had letters sent to me, and I know the minister has, because I have one of them that I can recall offhand that was cc'd to myself and addressed to her. So I am wondering if the minister can tell us, is there a government policy or a policy from the casino when it comes to handing out freebies?

**Mrs. Mitchelson:** I am informed, it is a casino policy, yes, for complimentaries. I guess it is a marketing tool that is used in casinos to a much, much greater degree in the United States, I might say. About one cent on every dollar of revenue generated in Manitoba is spent on complimentaries, which could be anything from nonalcoholic beverages to a meal for play at the casino.

In Atlantic City, for instance, they spend about 26 percent. I indicated that here at the casino, the policy is about one cent on every dollar is spent on complimentaries, which is anything from a nonalcoholic beverage to a meal. In Atlantic City, they spend about 26 cents out of every dollar on complimentaries. In Vegas, it is about 14 cents or 15 cents on every dollar. So it is a commonly practised marketing tool used. As I indicated, ours is very minimal in comparison to other places.

**Mr. Lamoureux:** One cent of every dollar, that would—I do not have a calculator with me. What is that in terms of real dollars?

**Mrs. Mitchelson:** The total yearly amount spent on complimentaries would be around \$200,000, about \$113,000 on alcoholic beverages within the casino and about \$88,000 on meal vouchers.

**Mr. Lamoureux:** The policy of who receives these vouchers, is there someone who walks around, and someone who has been playing a game for a couple of hours will be handed a voucher? How does that work?

**Mrs. Mitchelson:** I guess people at the casino are tracked to a certain degree, whereby it would be those that frequently attended the casino and played bets anywhere from \$25 to \$500. Those are the people that normally would accept or be presented with a meal voucher or drinks.

**Mr. Lamoureux:** If you were to go into—they have two rooms. I was there once. There is the one with the slot machines.

**Mrs. Mitchelson:** Did you win?

**Mr. Lamoureux:** That I will not comment on. I played the slot machines with a 20-dollar bill and played the quarters. I found that way I could stay longer. But it is safe to assume then that if you are in the slot machine room, you are not given any of the tickets then, because there is no way you can bet?

**Mrs. Mitchelson:** I am told that it would be very rarely at a slot machine unless somebody is a real frequent attender. Most of the time it would be in the other room, on the card and the table games.

**Mr. Lamoureux:** Are the drinks vouchers given in the Fort Garry Hotel from the restaurant below or where do the vouchers apply? Where do you get them from?

**Mrs. Mitchelson:** Those drinks, the \$113,000 for drinks, are controlled on the seventh floor. There is a special chip, I guess, that is given to a player at the casino, and they would be entitled to a nonalcoholic drink because that is all they serve on the seventh floor. They would use that chip there, so it is controlled in that way.

**Mr. Lamoureux:** So there are no alcoholic drinks that are given as coupons?

**Mrs. Mitchelson:** Only, I suppose, if somebody wanted to order a drink if they had a meal voucher, and it would be controlled through that. Those would not be on the seventh floor. That would be in the restaurant that they might be using the voucher in.

**Mr. Lamoureux:** The meal vouchers, where do those meal vouchers come from? I understand that, at least I have received one letter—again I am just going from the letter—stating that they have seen vouchers that go to restaurants outside of the Fort Garry. Is that correct?

**Mr. Lamoureux:** There is a selection of restaurants within close proximity to the Fort Garry. It is not necessarily a voucher at the Fort Garry Hotel, but there are restaurants and hotels within close proximity that are used for the vouchers.

\* (1600)

**Mr. Lamoureux:** Do we know the numbers? Are these select restaurants.

**Mrs. Mitchelson:** A cross section from medium to upscale restaurants in the area.

**Mr. Lamoureux:** That would be a considerable amount of business, \$88,000 worth of meals. Are all the restaurants in the immediate area, at least, aware of the fact that the casino is giving out these vouchers and maybe can bid or put in for tendering, if you will?

**Mrs. Mitchelson:** All the hotels in the area know about it through the Manitoba Hotel Association and if, in fact, the casino is approached, they are all put on the list if they are within reasonable proximity.

**Mr. Lamoureux:** Mr. Deputy Chairperson, I know that there is a restaurant association—the name of it slips my tongue at the moment—and there is also the hotel association here in Manitoba. I would suggest that both organizations should be let known of the fact that there are coupons or these token coupons for meals are available and can be made available. All they have to do is approach the corporation and see if they can negotiate some type of a deal so there is no exclusivity to it.

I did want to get back into the awarding of these vouchers on the other side where they had played the card games and whatever else in there. Are there certain games on that side where the vouchers are handed out, or is it fair to say it could be at any one of the tables or games?

**Mrs. Mitchelson:** It is at the high-limit tables normally, and it is based on how much the play is by a customer.

**Mr. Lamoureux:** Is it the people behind the card table, the roulette table, that are handing out the vouchers, or is it a manager who walks around?

**Mrs. Mitchelson:** It is always a management person who is involved.

**Mr. Lamoureux:** Mr. Deputy Chairperson, I wanted to move on to the number of games. Has there been any thought given to expanding the casino on that floor or bringing in any additional games?

**Mrs. Mitchelson:** We are in the process of putting in 35 more 25-cent slot machines on the slot machine side. There may be the ability to bring in two more table games, not at this point, but there might be that ability. That would be the maximum capacity.

**Mr. Lamoureux:** Is that because they are increasing the floor space? Is there more being renovated in the area, or are we replacing others?

**Mrs. Mitchelson:** Mr. Deputy Chairperson, I do not know if the member has been there. I have only walked through once on a tour. He may be aware

of the huge change table that was in the slot machine room, and it is much too big for the facility and much too big for the requirements. So that is going to be removed, and the slot machines will go in that area.

**Mr. Lamoureux:** Has the department or the board been approached by any other organization outside of government agencies to establish other casinos?

**Mrs. Mitchelson:** The City of Brandon has approached us to open a casino in Brandon. Of course, Joe Slogan, on the river boat MS Lord Selkirk, had approached government to open a casino.

**Mr. Lamoureux:** Is the government currently dialoguing with the Lord Selkirk or the Brandon officials? Have they given any thought to expanding?

**Mrs. Mitchelson:** Mr. Deputy Chairperson, the mayor of Brandon is a fairly persistent person but, in fact, we have indicated to him, at this point in time, we are not looking at expansion of casinos. On the Lord Selkirk, we have indicated to Joe Slogan, too, that we are not going to expand casinos in the province of Manitoba, and there would not be an opportunity to open a casino on the Lord Selkirk.

**Mr. Lamoureux:** Mr. Deputy Chairperson, I thought I had my figures right here. Can the minister tell me the actual dollars that went from the casino to the health care in the last fiscal year?

**Mrs. Mitchelson:** Mr. Deputy Chairperson, I think you would have to ask the Minister of Health (Mr. Orchard) the actual expenditures within his department because he would be allocated a certain amount, and I do not know how much of that was spent. We indicated that we would be looking at \$10 million for innovative health care projects, and I cannot tell you how much was actually approved and spent.

**Mr. Deputy Chairman:** Recess five minutes?

**Mrs. Mitchelson:** Yes.

\* \* \*

The committee took recess at 4:07 p.m.

### After Recess

The committee resumed at 4:17 p.m.

**Mr. Deputy Chairman:** Order, please.

**Mr. Lamoureux:** I believe when we left off, Mr. Deputy Chairman, we were discussing potential—I should not say the potential—the possibility of other

casinos coming up. Just to ensure that the record is fairly clear, the government is not looking at expansion?

**Mrs. Mitchelson:** That is correct. We are not looking at expansion of casinos.

**Mr. Deputy Chairman:** The honourable minister—I mean, the honourable member for Inkster.

**Mrs. Mitchelson:** Not yet.

**Mr. Lamoureux:** Wishful thinking, Mr. Deputy Chairperson.

I want to pick up on the health care side of things again. I had asked the minister, in terms of how much money was allocated to the Health department, not necessarily spent, but how much money was allocated to the Health department from the casino in the last fiscal year?

**Mrs. Mitchelson:** Approximately, \$7.5 million.

**Mr. Lamoureux:** Mr. Deputy Chairperson, in order for me to find out where that money went to, I would have to go through the Department of Health?

**Mrs. Mitchelson:** Mr. Deputy Chairperson, yes, you would ask in the Health Estimates how much was spent. I know some of it has been announced from time to time throughout the year, specific projects that were funded through the Health Services Development Fund. I do not have a definite number.

**Mr. Lamoureux:** Mr. Deputy Chairperson, I am interested in terms of the summary of Lotteries-funded programs. The funds that go into that particular page, which was page 5 on the Estimates, that includes the revenue from the casino?

**Mrs. Mitchelson:** Yes, the casino is included in that.

**Mr. Lamoureux:** Mr. Deputy Chairperson, the lottery funds or the casino funds are all directed to the health care. Correct?

**Mrs. Mitchelson:** The total from last year's casino revenues was allocated to the Health Services Development Fund.

**Mr. Lamoureux:** Mr. Deputy Chairperson, the policy of the government—any revenues received from the casino are to be directed to our health care, correct?

\* (1620)

**Mrs. Mitchelson:** We anticipated that there would be up to \$10 million. Of course, we did not achieve

that in the first year, because of the strike, but we indicated up to \$10 million would be allocated to the Health Services Development Fund.

**Mr. Lamoureux:** Whatever money is generated from the casino goes towards the health care system?

**Mrs. Mitchelson:** Up to \$10 million.

**Mr. Lamoureux:** So if the casino makes \$10,500,000 the first 10 goes to health care and the balance goes to whatever else the government decides?

**Mrs. Mitchelson:** The balance would go into the lottery trust fund.

**Mr. Lamoureux:** Is the government anticipating on receiving \$10 million from the casino this year?

**Mrs. Mitchelson:** Yes, expectations are that if we go through a full year without a strike or any interruption in service that we should be able to generate the \$10 million.

**Mr. Lamoureux:** Then, why, on the Health line, do we have allocated for the year ending March 31, '92, only \$7.5 million?

**Mrs. Mitchelson:** In the line in the budget, it is the expectation of the flow of money, the flow of expenditures. As you know, sometimes programs get approved and there might be a program that will run two or three or four years. I can recall one commitment from the fund was over a three-year period, so there would be monies flowing in three different years. There would be money in the budget each of those three years for that one project. There is an expectation that not more than that much money will flow in this fiscal year, therefore, that is what is allocated in the line.

**Mr. Lamoureux:** Mr. Deputy Chairperson, is it safe then to say that there is an account, if you will, where funds that come in from the casino are kept and then in any given year no more, or I should say, no less than \$10 million would be spent over, let us say—I want to make sure that I explain it very clearly to the minister. We need to take it over, let us say, a five-year period of time. If we see the casino making \$55 million over five years, it is then safe to draw the conclusion that \$50 million of that would be spent in our health care?

**Mrs. Mitchelson:** Well, Mr. Deputy Chairperson, that much could be committed, yes, over five years, but in fact the projects have to come in. You have to recognize that the projects that are funded from Lotteries dollars in the Health care line are from the

Health Services Development Fund. Those are one-time initiatives. They might last for a period of three years, so you might put funding from Lotteries over a three-year period, but it is not ongoing. It is not to go into the general revenue of the Health department for ongoing operating costs. It is to go for one-time initiatives, and those initiatives have to be applied for from the community.

It is just like the Community Places Program. We might allocate \$3 million, but if we only had applications for \$2 million, highly unexpected or unanticipated, but if in fact applications only came in for \$2 million, then we could not spend the extra million dollars. So what has to happen is the applications have to come in. They have to be processed by the committee that was set up to process the applications and, if they are eligible, that much certainly could be allocated.

If the applications do not flow and they do not fall within the criteria, then we cannot spend the money. There is the money allocated, but the applications have to flow from the community. It is a community-driven and a one-time initiative, and it is not going to go into the building of, or the supplementing of, the budget in one of the hospital lines. That is just not what the money is intended for.

It is for one-time projects to sort of promote, I suppose, community-based health services as opposed to institutional. The transition sometimes from one form of health care, whether it be institutional to community based involves initially more dollars. It is those one-time things, where there might be bridge funding or there might be one-time projects that are applied for from the community.

**Mr. Lamoureux:** Does the minister have a commitment then from her counterpart, the Health minister, that any one-time project that money is allocated to will continue to operate? Because if you invest \$5 million into a project and there is an operating cost, the casino funds are not to go to the operational funds in future years. Is there a commitment then, whatever money this is allocated out to, that, in fact, the Minister of Health will continue the operational funds?

(Mr. Jack Reimer, Acting Chairman, in the Chair)

**Mrs. Mitchelson:** What we do not want to do is commit to projects that are going to continue to be a drain on the fund. What I have indicated is that

they are projects that may last for two or three years and then be finished and will not require operating funding. I cannot indicate exactly what the process is or what the criteria is within the Department of Health. The Minister of Health will have to explain that. But, in fact, anything that is funded out of this fund should not require forever and a day ongoing operating. Those would be some of the criteria that would have to be met in order to get funding.

**Mr. Lamoureux:** I know, Mr. Acting Chairperson, the minister cannot tell me exactly where the money has gone in terms of health care, but there are items that are purchased that are fairly expensive, no doubt. I guess at times I question—we only say that here we have a casino and we want to sell the package, being the casino, to the public. What we will do is we will say, all the monies raised there will go, in fact, towards health care. People, at least my constituents and—I am sure, in Manitoba one of the first priorities is our health care. What I often ask myself is, does that mean that if the government did not take that \$10 million from the casino, that the projects that the casino is bringing on board would not have been brought on board?

**Mrs. Mitchelson:** Certainly not in the fashion that they are being brought on board. We have to, in the overall context of any departmental budget, look at what the priorities are. What we are saying is that \$10 million can be used to maybe move something ahead a little more quickly than it might have been otherwise. Very definitely, there are only so many dollars to be allocated.

If, in fact, there was an initiative where you could deliver a program that was more community-based than institutionally-based, for instance, that in the long run would save money, but in the short term would require an infusion of a couple of million dollars to get it off the ground. That is the kind of thing that would be funded and it could be moved ahead more quickly. Yes, government has to set priorities and, obviously, it is \$10 million more there that would not be available within the resources that are allocated.

**Mr. Lamoureux:** Mr. Acting Chairperson, I guess when you are sitting around the cabinet table and the Minister of Health's (Mr. Orchard) turn comes up to argue for more money or more resources, the thought that enters my mind is, are we going to see a minister say, well geez, you do not need \$30 million this year for capital expenditure, you are getting \$10 million from the casino, maybe \$20

million instead of the \$30 million. I know that there have been some problems in the past with capital expenditures through the NDP administration, and the government of the day, current government, had brought forward a fairly comprehensive package on capital investment into our hospital system.

\* (1630)

That is the only concern that I have regarding the whole question of supplying money for capital projects or special projects. It is getting that assurance that, in fact, these are additional benefits, that it is not going to be coming in from one end and taken out at the other end, special projects that do not necessarily need the operational or the future funding. I do not think we should be having to rely on gambling to fund our health care system. That is a concern I have that is shared with the Liberal Party.

On that, Mr. Acting Chairperson, I will leave that particular topic.

**Mrs. Mitchelson:** If I could just comment briefly and indicate that the total health care budget is about \$1.7 billion now. The \$10 million from Lotteries certainly is not going to go a long way to support our health care system in general but, in fact, it can do some of those little projects, specific things, that might not be able to be funded.

Our commitment is clear. Health care has been our No. 1 priority and we have increased the funding considerably, year after year, in health care in the province of Manitoba. I suppose one could argue that \$10 million is not going to make the health care system, but it might make it a little easier in some instances for projects and project funding.

**Mr. Bob Rose (Turtle Mountain):** Mr. Acting Chairman, I will just wander all over the map here of a person who has some very interesting questions in the last couple of hours. Just in the area that we are in, they are talking about the—and I have forgotten the term, but the gaming machines that are being proposed—

**Mrs. Mitchelson:** Video lottery terminal.

**Mr. Rose:** Video lotteries, thank you. We are talking about allocation of returns. I heard someone make the suggestion that we should equip these lottery machines, seeing as they are computerized anyway, with little buttons saying I would like my share to go to health care or to education or to reducing the debt or to Child and Family Services, or whatever. Is there any consideration given to that

approach, in other words, letting the public choose where they would like their money to go, rather than have the politicians make the decisions?

**Mrs. Mitchelson:** I am told by staff that the computer costs would be tremendous to try to put in place a button whereby we could determine, not only how much the person put in totally, but where they would like to see that portion of their dollars go.

I think from time to time the Lotteries Foundation does do some research and surveying to determine where overall priorities are, and I think by far the No. 1 priority is health care for Lotteries dollars. I know that some people have indicated that Lotteries dollars should be used to reduce the deficit. I do know that, overall, health care is the No. 1 priority, and I think we hear that even on talk shows, all of us. We hear people call in. From time to time you hear people indicating that all the proceeds from Lotteries dollars should be going to health care.

**Mr. Rose:** If nothing else, it might be an interesting poll, if you like, of where the priorities of our citizens lie. I suppose you will only be testing those citizens who like to gamble, so perhaps it would not be a valid poll in any case.

Backing up through the afternoon, we were talking earlier on in the casino about issuing vouchers for restaurants outside the building. Are these vouchers cost shared by those restaurants?

**Mrs. Mitchelson:** Mr. Acting Chairperson, I am informed they were such a small part of their business that they are not cost shared by the restaurants.

**Mr. Rose:** It seems to me the figure given was \$80,000 for meals. Is that \$80,000 free business that the restaurants are getting outside the casino?

**Mrs. Mitchelson:** Mr. Acting Chairperson, \$88,000 a year divided by 10 restaurants, I guess is about \$8,800 in a year. It would vary up and down.

**Mr. Rose:** It is in a way a form of free advertising for those restaurants as well, because probably if someone has a voucher, they are bringing other people with them for a meal.

**Mrs. Mitchelson:** Mr. Acting Chairperson, I am informed that in those restaurants there is some form of advertising for the casino. There might be little cards on the table or little pamphlets that indicate, after dinner tonight, why not stop in at the casino for an hour or two of entertainment. So there is that promotional side.

**Mr. Rose:** Are these vouchers an actual dollar value or are they just—

**Mrs. Mitchelson:** They are in two categories. The bulk of the vouchers that are given out are for \$60, and there are a few, very few, that are \$100.

**Mr. Rose:** I am trying to get a handle on the return. I am doing a little rough arithmetic. If we are estimating a \$10 million return on 400,000 visitors a year, I calculate a drop of 250 bucks a piece. Is that correct?

**Mrs. Mitchelson:** Mr. Acting Chairperson, I am informed that you cannot really do a simple division process, in fact, because there are many people who contribute an awful lot of money to the casino. There are some that contribute a little amount and there are a lot that we contribute as a casino, too, for those who win. So, to indicate on an average, somebody would have contributed \$250 to the casino and received a \$60 voucher, it cannot really be related.

**Mr. Rose:** Sorry, I was not trying to relate those two things. I was just trying to get some notion of what an average loss, if you like, is for an average person walking in the door, and it works out to me to be \$250. Is that net or gross? I mean, looking at \$10 million return, that must be a net figure, so on an average they must be losing substantially more than \$250.

**Mrs. Mitchelson:** I guess there is just such a great turnover, and I am told by the experts that it is really hard to determine what the win or loss is, and you cannot relate it to an average because there are so many people, you know. Some people spend up to what would be the—do you want an example of maybe—

\* (1640)

What they are indicating to me is, we cannot tell. I mean, there is no average because some people come in on a regular basis. If you want us to give you an average figure based on the number of people who come into the casino a year and the amount of money that they might leave, it would be somewhere between \$50 to \$60 per person who enters the door of the casino.

**Mr. Rose:** I hate to dwell on this, but you are estimating approximately 400,000 people through the door. Now, I understand that could be the same person 365 times or however many days you are open. If there are 400,000 bodies coming through

and you are estimating a take of \$10 million, then does that not work out to \$250 on average?

**Mrs. Mitchelson:** It works out to \$25. So, we are saying gross would be about \$50.

**Mr. Rose:** One last question, which is just asking an opinion. The member for Crescentwood (Mr. Carr) was raising points about the advertising campaign, and I could not help but speculate and perhaps you will give me your opinion. Is it possible to design an advertising campaign that some individual or some group does not find offensive? It seems that you can advertise soap and be accused of being sexist, or whatever. My question is: Do you think it is possible to advertise a campaign and not be overreacting to some of these things?

**Mrs. Mitchelson:** Normally speaking, when there is an ad campaign done there is some focus testing done. They have a focus group that comes in and they run the ad by them before it is in its final stage and get comments, and usually a very broad cross section of people are there to focus test. There is that kind of thing that does happen, but I guess from time to time the odd ad does slip through that people do find offensive. I suppose when it is private enterprise it is a little different from government, because the perception is that government should have more control and should not be running advertising that would be offensive to people.

In the private sector, in fact, if you ran a soap commercial that was extremely offensive to a lot of people they might not buy your product. I think there is more of an accountability with a public enterprise, and from time to time we have to appear at least to be a little more responsible in that respect. We will just try to be more careful. Still, from time to time there may be ads that will offend a few people. I guess that is all part of the whole marketing and advertising process. It does happen and, as I said, we as government have to be just a bit more sensitive than the private sector does.

**Mr. Lamoureux:** Just before we leave the casino, there was another issue when the casino was brought about that was dealt with by a number of different organizations, and that was, of course, the whole question of crime, if you will, around it, and type of individuals. I would ask the minister: Has there been any indication in terms of increased break-ins, anything of that nature or any concerns that have been raised from the neighboring communities? I know there are apartment complexes all over, right by, I should say, the Fort

Garry. I would ask if the corporation has received any complaints regarding the casino.

**Mrs. Mitchelson:** No, in fact, I think letters were tabled during some of the concerns that were raised, especially by the opposition, that there would be increased crime and prostitution. I know that the City of Winnipeg Police and the RCMP both indicated verbally and in writing that they did not anticipate or expect, because it was government-operated, that there would be any increase in the incidence of crime or prostitution, and in fact that was borne out. There have not been any changes as a result of the casino.

**Mr. Lamoureux:** That is good to hear. In terms of the dress code, I am wondering how the dress code is being accepted overall.

**Mrs. Mitchelson:** Over 70 percent of the patrons who attend the casino indicate that they do like it, and there are people who are not happy, but the majority are happy with the dress code.

**Mr. Lamoureux:** I would imagine that the casino must have a complaint or public relations officer. I am wondering if there have been any other types of complaints levelled against the casino.

**Mrs. Mitchelson:** I am told that the majority of the complaints came at the time of the strike, when people were wanting the casino to be reopened and back in action, and those were the majority of complaints that came in, but otherwise not much.

**Mr. Lamoureux:** Mr. Acting Chairperson, I am not necessarily interested in those complaints. I am more interested if there were any complaints from the area about the casino, maybe the hours of operation, anything from the hotel, those types of complaints or complaints that individuals are being ripped off or services that are given, that type of thing at the casino.

**Mrs. Mitchelson:** Virtually not.

**Mr. Lamoureux:** Mr. Acting Chairperson, I also wanted to ask the minister in terms of the board, the chairperson of the Manitoba Lotteries Foundation, and ask in terms of what types of trips—or does this individual take any trips out of province?

**Mrs. Mitchelson:** Mr. Acting Chairperson, the current chairperson has not taken any trips, but in the past, if you are asking, would a chairperson of the Manitoba Lotteries Foundation traditionally take trips, I would imagine that, on occasion, usually the chairperson—and it has remained the same from the former government to ours—of course attends

or is one of the people on the Western Canada Lottery Board. We each have two representatives, and the chair is one of those representatives. So, of course, there would be the interprovincial meetings and probably the ILC.

(Mr. Deputy Chairman in the Chair)

There are different lottery organizations. One is Western Canada Lottery. One is Interprovincial Lottery Corporation, which is all of the provinces, and that person would more than likely be a representative there from time to time at meetings, in conferences. There are some that are international, I guess, the States and Canada.

So there are interprovincial, the three western provinces that are involved in the Western Canada Lottery, there is North American, and there is international. From time to time any chairperson might travel to any conference or might be asked to speak at any conference. I know the present chair has not attended any conferences as yet.

**Mr. Lamoureux:** The present chair, I likely missed. Was there an appointment in the last couple of years, or is it still Ms. Russell?

**Mrs. Mitchelson:** No, it is Gerrie Hammond.

\*(1650)

**Mr. Lamoureux:** I do not know how I missed; that one got by me. It is a bit of a surprise. Some might even say embarrassing.

Mr. Deputy Chairperson, I guess maybe what I will do before I go on to our current chairperson because there were some concerns that I had received regarding the previous chairperson, with Ms. Russell in terms of travelling abroad. I do not know how long Ms. Russell was in fact the chairperson. I would ask the minister in terms of numbers of trips, do we have that on hand?

**Mrs. Mitchelson:** Mr. Deputy Chairperson, rather than guessing at the number of trips—I know there was an international trip that she did go on—let us get the number of trips and provide that information.

**Mr. Lamoureux:** Mr. Deputy Chairperson, when you travel internationally or to the U.S., North America, are these annual conferences that go on, or is there a criterion that is used that would determine that the chair—or maybe even the minister can tell me, are there other individuals who take these trips?

**Mrs. Mitchelson:** Mr. Deputy Chairperson, I know there were trips taken by staff before we opened the

casino. That has been well publicized. There were trips to Holland and to France where they have the European-style casinos, to look at the operations. Staff and board members, I guess, at that point in time did go. I think that was brought up two sets of Estimates ago and discussed, but there are people who do go and there is sometimes more than one representative who goes to a conference, someone from staff at Lotteries, maybe someone from Western Canada Lottery or the board chairperson. So I will get the information. I know there are a fair number of conferences. Some of them are yearly or some are every two years, and I think it has been tradition that—

**Mr. Lamoureux:** Mr. Deputy Chairperson, I can understand, to a certain degree, why the government would send a contingency or why the government would not oppose a contingency from the corporation, sending someone overseas to see what other casinos are doing. The numbers might be another question, of course, of how many people and who the individuals might be. That might be in question, but in terms of these international conferences, what is the purpose? Is it to expand in Lotteries? What do we hope to get out of these international conferences?

**Mrs. Mitchelson:** Mr. Deputy Chairperson, it is exchange of information on different Lotteries activities. There are, you know, different tickets that are—

**Mr. Lamoureux:** We will carry it over till Tuesday, if you like.

**Mrs. Mitchelson:** Are we going to continue or finish? Continue on today and go on till—we have to stop at five?

**Mr. Lamoureux:** Yes.

**Mrs. Mitchelson:** It is basically sharing of information on what is happening and who is better developed, or are there initiatives in one country that might be of benefit to share with others? Security is a great issue, obviously, when there is government involvement in gaming operations. So those are all things that are shared, I suppose like at any conference.

**Mr. Lamoureux:** Mr. Deputy Chairperson, is there—in going through the Annual Report, no real spot where I had seen, and I just briefly went through it. I might have overlooked it, but is there a report that is given from a trip of that nature? One would expect it in a summation of sorts.

**Mrs. Mitchelson:** Mr. Deputy Chairperson, there is a report back to the board on the content of the conference.

**Mr. Lamoureux:** Mr. Deputy Chairperson, who makes up the board now? Can we just get a list? I do not need to know the names, and those are all government appointments?

**Mrs. Mitchelson:** Yes, they are.

**Mr. Lamoureux:** Thank you, Mr. Deputy Chairperson. I will just settle for a list. I already know who the chairperson is so I will just wait for the list to come by.

I know the member for Selkirk had a question before I continue on a different subject.

**Mr. Dewar:** Is the Crystal Casino licensed to sell alcoholic beverages?

**Mrs. Mitchelson:** No, they do not sell alcoholic beverages at the casino, so they are not licensed.

**Mr. Dewar:** Will the foundation be seeking a licence in the future?

**Mrs. Mitchelson:** It is not in the plans.

**Mr. Dewar:** That is fine.

**Mr. Lamoureux:** Mr. Deputy Chairperson, I have some more questions regarding the marketing division and the jobs that were transferred over to Stettler, Alberta. Is there something, some sort of compensation, that we give other provinces for having the head office in Winnipeg. I look in terms of the province of Saskatchewan. Saskatchewan could likely bring up the same arguments that Alberta has, and I am wondering in terms of, is there something that Saskatchewan—for example, Alberta, they are responsible for, they have an advertising agency there. Is there anything in Saskatchewan that allows them to benefit from the lotteries?

**Mrs. Mitchelson:** Mr. Deputy Chairperson, Saskatchewan does not have any specific economic benefit and they are not looking for any benefit. They are the smallest player. Alberta has 60 percent of the ticket sales, we have about 24 percent, and they have about 18 percent of the sales. With 24 percent of the sales, I guess we have been pretty fortunate to have the head office here for the number of years we have had it.

There has been talk about payment. We looked at that too. Instead of moving jobs to Alberta, one of the options was to pay many millions of dollars to Alberta and to Saskatchewan in compensation for

economic benefit that we receive and all those kinds of studies. That was all part of the negotiation process.

It was determined that the best thing for Manitoba, I suppose, if you can call losing jobs good, we feel that we negotiated the best agreement for the province of Manitoba with moving 50 jobs and keeping 150 jobs here and at this point in time not having to pay Saskatchewan or Alberta. If we had to pay several millions of dollars right off the top, that would be several millions that would not be going to the community organizations that currently receive Lotteries dollars.

**Mr. Lamoureux:** So the government as of today has not been approached from Saskatchewan at all then?

**Mrs. Mitchelson:** No.

**Mr. Lamoureux:** If by chance there is a change in administration, I hope we are not approached from Saskatchewan.

Mr. Deputy Chairperson, the 52 people who were there who had been asked to relocate to Stettler, five of them are going to be moving, the minister had mentioned. In terms of the other 47, is there anything that is being done for these individuals?

**Mrs. Mitchelson:** There is a very extensive package of compensation for those employees who chose not to move, and I could probably get some of that information from Western Canada Lottery and provide it. It is a package that is very good. I know that the severance package is one month's salary for every year of service. There is out-placement counselling in place for those who are seeking employment elsewhere, and we know that some of them have found alternate employment already. We do not have that number, but we know some have. It is a good package, and I wanted to ensure when the decision was made that we looked after the employees and that they were what had to come first in our minds as a province.

**Mr. Deputy Chairman:** The time is now 5 p.m. and time for private members' hour. Committee rise.

## SUPPLY—EDUCATION AND TRAINING

**Madam Chairman (Louise Dacquay):** Order, please. Will the Committee of Supply please come to order. This section of the Committee of Supply is dealing with the Estimates of the Department of Education and Training. We are on page 42, item

5.(e) Keewatin Community College. Will the minister's staff please enter the Chamber.

Item 5.(e) Keewatin Community College: (1) Salaries.

**Mr. Dave Chomlak (Kildonan):** Madam Chairman, I suppose it is ironic and interesting to note, and perhaps typical, that we see major staff cuts at a place like Keewatin Community College, and yet when you look at the staff of administration of the whole department, staff cuts are not commensurate with the kind of delivery service staff cuts, the cuts to staff that actually are on-line and deliver service to the students. They are not even comparable.

I am wondering, insofar as we are proceeding to a policy of governance, and presumably there will be less need for a centralized mechanism, why the minister has chosen to cut at the delivery level, that is, places like Keewatin Community College, and left the central bureaucracy in place to somehow administrate Heaven knows what.

**Hon. Leonard Derkach (Minister of Education and Training):** I guess when the member says to do who knows what, it shows his ability to understand what really is done at an administration level at a community college, Madam Chairperson. Indeed, I would hope that he would move to inform himself more clearly as to what it is that is being done at the administration levels at each of the community colleges and in the department as a whole.

I can indicate that at the managerial level at Keewatin Community College, there were two chairpersons who were curtailed, one director, and one manager.

\* (1430)

**Mr. Chomlak:** Madam Chairman, last session the minister made reference to the fact that students who were transferred down to Winnipeg would be paid the cost of their time down in Winnipeg and I believe -(interjection)-well, if a student was planning to take Civil Technology at Keewatin and will now have to take it in Winnipeg, how is the cost provided for? It is an arrangement, I understand, with the federal government. Can the minister please give me some quick understanding of how that process works?

**Mr. Derkach:** Madam Chairperson, the students receive their living allowances from the federal government and the moving costs will be paid for the students to move from Thompson to Winnipeg.

**Mr. Chomlak:** We made reference last session to the fact of the graduation rate of students from courses like Civil Technology. Does the minister have figures as to the number of students who perhaps entered the course as opposed to graduating, what the percentage is of students? In fact, if the minister has those figures for all of the courses dropped at Keewatin Community College, I would appreciate it if he would table them today.

**Mr. Derkach:** Madam Chairperson, in the Civil Technology program, there were 40 entrants into the program, and there were 18 graduates out of the program.

**Mr. Chomlak:** Does the minister have the figures for the other programs that have been eliminated or reduced by Keewatin Community College, namely, small motors, carpentry, plumbing level, trades upgrading, et cetera?

**Mr. Derkach:** Madam Chairperson, we do not have the figures for all of the programs at our fingertips, but staff will find these precise numbers and we will provide them. For the small motors program, in 1988-89 there were 12 students in the program; three graduated. In 1989-90 there were 12 students in the program; four graduated. In 1990-91, 12 students in the program; three graduated.

In the plumbing program, in 1988-89 there were 12 again; four graduated. In 1989-90 there were 12 in the program; eight graduated, and in 1990-91 there were 12 in the program and four graduated.

I will provide the numbers of students in each of the other programs that have been cancelled, but we do not have the numbers right at this moment.

**Madam Chairman:** Item 5.(e) Keewatin Community College: (1) Salaries, \$7,389,700—pass; (2) Other Expenditures, \$3,400,900—pass; (3) Less: Recoverable from Other Appropriations, \$15,000—pass.

Item (f) Education and Training Assistance, \$2,105,000.

**Mrs. Sharon Carstairs (Leader of the Second Opposition):** Can the minister provide us with a list of the private religious colleges which are getting assistance under this particular initiative?

**Mr. Derkach:** The five colleges that are receiving assistance are the Canadian Mennonite Bible College, the Canadian Nazarene College, the Mennonite Brethren Bible College, the Winnipeg Bible College and Catherine Booth Bible College.

**Mrs. Carstairs:** Can the minister tell the House on what basis they receive funding? Is it the private school nature or the course content? What is the philosophical basis for the funding of these colleges?

**Mr. Derkach:** The funding is provided on the basis of students who are enrolled in programs that can be transferred to a regular university setting, and that is the case for each of the colleges. Programs which cannot be transferred or are not in any way the same as those accredited by the universities are not supported by the government.

**Madam Chairman:** Item 5.(f) Education and Training, \$2,105,000—pass.

Item 5.(g) Student Financial Assistance.

**Mr. Chomlak:** Madam Chairman, I have heard the minister personally on several occasions make reference to the fact that we in Manitoba have the finest student assistance program in the country. I am wondering if the minister—because I am certain he has it in that book—can table for us the statistics that once and for all will illustrate for me this particular fact?

**Mr. Derkach:** Madam Chairperson, yes, Manitoba does rank first in providing funding to students compared to other provinces. The maximum weekly provincial assistance levels for financially independent students are as follows: Manitoba is at the top with \$315 per week; Ontario at \$270; Saskatchewan, \$250; Alberta, \$221; British Columbia, \$210; New Brunswick, \$184; Nova Scotia, \$173; Newfoundland, \$171; Prince Edward Island, \$170.

\* (1440)

**Mr. Chomlak:** Madam Chairman, does the minister have comparable figures that illustrate the number of students receiving this, I assume, maximum assistance?

**Mr. Derkach:** Madam Chairperson, we do not have that information.

**Mr. Chomlak:** Does the minister have information that indicates the number of students in total receiving assistance in each province on a comparable basis?

**Mr. Derkach:** No, Madam Chairperson, those are statistics that we do not have.

**Mr. Chomlak:** So the minister has made his claim that student aid is the best in Canada on the basis of only the fact that the weekly rate we presently

supply to students at a maximum level is greater than other jurisdictions in the country.

**Mr. Derkach:** Yes, Madam Chairperson, that is, in fact, the significant difference is the maximum weekly allowance that is provided for students is greater than it is in any other province in Canada.

**Mr. Chomlak:** The minister cannot tell me how many students are obtaining this maximum amount.

**Mr. Derkach:** Madam Chairperson, I think it should be noted that the maximum assistance is for those who are in greatest need. Every application is analyzed, and the awards are made on the basis of need. Now, if the member wants to know how many there are in Manitoba who receive the maximum, those are statistics that we can probably get.

In terms of knowing how many get maximums in each of the other provinces, of course, that is irrelevant data for us at this time. Certainly, we have not been keeping those kind of statistics to my knowledge.

**Mr. Chomlak:** I am somewhat surprised, because I would have thought that if the minister was making the claim that we have the best program in Canada, there would have been some kind of a comparative basis on which to make that claim vis-a-vis the number of students receiving the particular grant.

The point is—not to make the point to be too extreme, but to illustrate my point: If three students in Manitoba receive the maximum and 5,000 students in Saskatchewan receive the maximum, then I do not think on a per capita basis or any reasonable basis anyone would make the claim that we have the best program in the country if students are not eligible to receive what is, in fact, a maximum.

**Mr. Derkach:** Madam Chairperson, it should be noticed that in some provinces, there are no such things as student bursary programs or loan programs, but I might also add that all of the allowances are made on an as-need basis. Therefore, if the member is saying that only three are receiving it in Manitoba, that would indicate that the Manitoba population is generally wealthy. That, in fact, is not true and the populations in provinces vary tremendously. So what the member would try to ascertain from the raw numbers, I really do not know.

It should also be noted that in Ontario, the Ontario department has not made use of their total portion of student loans over the past number of years.

They have indicated that they may need to in the future, but they have not. So that money has been allocated to other provinces and Manitoba has benefitted quite tremendously from the fact that they have not utilized their total allocatable amount, but if you look—and that is the important factor. What is our maximum per student weekly allowance in the province? It is all based on need. If the student does not need it based on the criteria that are set in the student loan category by the federal government, then the student does not get the loan, and it is the same throughout the country. It is based on a per student basis; it is based on a per weekly amount, and our amount is the highest in Canada.

**Mr. Chomlak:** Can the minister indicate what the increase has been with respect to the maximum bursary rate between this year and last year?

**Mr. Derkach:** That figure has not changed; but even so, we are still the highest in Canada.

**Mr. Chomlak:** So despite the fact that we have an inflation rate of plus-6 percent and despite the fact that institutions are charging 20 percent tuition fees, the minister is indicating that the bursary has not increased from last year?

**Mr. Derkach:** Despite the fact that there are increases, we have maintained our position as being the highest on a per weekly basis in Canada, substantially so. Manitoba is at \$315 per week. The next one to us is Ontario at \$270, substantially less on a weekly basis.

In addition, we have put in an additional \$1 million into our program this year, and the increases that we have allowed for this year have been for such things as local transportation, tuition fee increases, parental assets and business net worth exemptions to merit awards, independent students, study period room and board allowance, single-parent students, indexing basic maintenance allowance, and part-time earnings. All of these factors have been positive in terms of providing students with greater access to the bursary and loan program in this province.

**Mr. Chomlak:** I guess the minister has indicated the levels have stayed the same this year as compared to last year, and he has compared it to other jurisdictions. I doubt very much, although I do not have the statistics in front of me, that, in any other jurisdiction in the country, students are facing tuition fee increases of 20 percent across the board; and, if they are, the point is that the minister does

not recognize the effect that tuition fee increases could have on these people who need it more than any other people in our society.

**Mr. Derkach:** If the member had been listening to the news media, he would have realized that there are significant increases throughout the country in tuition fees. Manitoba is not alone in terms of the levels of tuition fees that have been increased across the land. Manitoba has the third lowest fees for arts and science students in Canada, and a 20 percent increase will move us up to fourth place.

I might mention, Madam Chair, that in New Brunswick, as an example, tuition fees went up by 25 percent. We can go to Ontario and we can go across this land, and we will find that there are substantial tuition fees throughout. But, even so, I would have to indicate that we have the highest maximum levels in Canada. That is what is significant, and the member was wrong when he said that the levels have stayed the same because the levels have not stayed the same.

\* (1450)

I indicated clearly, we have put in an additional \$1 million into the bursary program this year to make sure that those who are in most need will be able to get access to the program. But, when you look at the statistics from Manitoba students—we are not the richest province in this country—and when we have the highest maximum students' assistance program, I tell you, we are indeed supporting our students at a substantially higher level than anywhere else in Canada.

**Mr. Chomlak:** Of course, the fatal flaw in the minister's entire argument is that you can support a lot of students when you cut out a lot of students from obtaining that support.

One of the reasons that they have more money to supply university students is because they have cut out the high school bursary program. Can the minister indicate how much money that entails in terms of the cutout of the high school bursary program, and how many students it affects?

**Mr. Derkach:** It is true that the high school student bursary program has been eliminated, and it was a program that was costing \$1.3 million. These are students who are still under the dependence of families, and who certainly can access assistance through other means, and should not be accessing assistance through the Education department.

The student financial program that we were talking about before is a completely separate student financial program. It is for programs at the post-secondary level. That is where our supports are at a maximum of \$315, the highest in the country.

Madam Chairperson, I might indicate that we do not have the highest living costs in Canada, yet we do have the highest weekly allowances. The member has to acknowledge the fact that that is indeed a significant contribution towards the student financial assistance.

Besides that, he says that access has become restricted. Indeed, we have expanded access to the student bursary program and the student loan program by eliminating such things as net worth on farmland, which used to be the case. We do not count that net worth. Instead, we would rather look at cash flow, because there are families in rural Manitoba who could be wealthy in terms of the assets that they have but they are not cash assets. Therefore, we have to take that into consideration when making awards for student loans and student bursaries.

So, Madam Chairperson, I would have to say that we are very proud of the levels at which we support our students at in this province. It is certainly far more generous than it is anywhere else in Canada.

**Mr. Chomlak:** That will be cold comfort to the high school students who are receiving those funds, the very ones that the minister says can fall back on their families, the very ones who are suffering from cutbacks at Family Services, cutbacks at all of the social agencies, cutbacks at the schools and cutbacks on the teachers.

It is typical of this government's approach to all of the problems that those least able to afford it and those least able to protect themselves are feeling the effects of the minister and this government's actions more than anyone else. The minister knows that. -(interjection)- The Minister of Labour (Mr. Praznik) knows it as he shouts, at teacher salary levels—I would like to see him say that in the hustings publicly—and the Minister of Education knows that.

How many students are suffering the effects of this government's cutbacks and taking away of the high school student bursary program? How many students were covered by that program last year?

**Mr. Derkach:** Madam Chairperson, the awards were \$275 per student per year. There were 3,820 regular awards issued last year.

**Mr. Chomlak:** Madam Chairperson, was any internal study taken or any analysis taken to ensure that these 3,820 students—what alternatives would be available to them as a result of the cutback of the high school student bursary program?

**Mr. Derkach:** Let us be very clear about one thing. That is, there are no tuition fees at our high schools, and therefore the assistance that was being provided on an annual basis was really something that we felt, in those cases where families were on social allowance, was the responsibility of that department. Indeed, we have had some discussions with Family Services, and those students whose families are on social allowance or the students who are will be able to gain assistance through that department.

Madam Chairperson, I have to tell you we do pay, along with the taxpayers in this province, 100 percent of costs of education at the public school level. There is no charge to any family for any costs incurred for education, so why we would enter into that kind of an arrangement is somewhat beyond me at this particular point in time.

I have to say that, if we are talking about the university bursaries, that is an entirely different topic and indeed one that the member cannot make an argument about in terms of the levels of support we give to those students in need of assistance for bursaries at the post-secondary level. As I have said three or four times now, it is the highest in Canada.

**Mr. Chomlak:** Madam Chairman, these 3,820 students who were cut off by this government with respect to the high school bursary program, many of them will probably drop out because they cannot afford it. Many of them will not be able to go on to post-secondary education as a result of the parsimony attitude and the Marie Antoinette attitude of this particular government.

The minister has not given me the figures of the number of students receiving bursaries at the post-secondary level in this province this year and last year, as I have asked him. Can he provide me with those statistics?

**Mr. Derkach:** Madam Chairperson, there are no costs for students who go to high school in this province, in terms of tuition fees or cost of books.

All of those costs are covered by the department and by the school boards. In terms of ensuring that we keep students in school as long as we can, we have entered into the stay-in-school initiatives.

There is no evidence that high school bursaries work in terms of keeping students in school. The fact that there are no costs at the school level for a student is certainly something we need to be concerned about. If there were costs, then there could be a reason for a bursary, but there is no cost to a student who attends one of our high schools, in terms of the books, in terms of the tuition, in terms of anything that student has to do with education. If it is a family assistance kind of program, then there is another department that should be responsible and is responsible for that.

In terms of the numbers of—and the member just asked for that number. Before he was asking for numbers across Canada—but in terms of the numbers of Canada student loan awards in Manitoba in 1990-91, 12,700; in terms of the number of loan rebate awards, there were 3,000.

**Mr. Chomlak:** I take it the minister cannot table this study because there is not one with respect to the high school bursary program upon which he made the statement that there is no evidence that it affects access to schools.

\* (1500)

**Mr. Derkach:** Madam Chairperson, there is no in-depth study into that area, but I can tell the member that high schools have asked us to delay payments of the bursaries because through their experiences, they have found that as soon as students receive those bursaries, in many cases they leave school. In that regard, the bursaries are certainly not working to keep the students in the school.

**Mr. Chomlak:** Can the minister please table the letters from the high schools or the documentation or the information upon which the minister bases that rather surprising statement?

**Mr. Derkach:** It may be surprising to the member, but it is a reality. That is the contact that we have had with high schools and the responses we have had from high schools to the department. It did not come in any form of letter either.

**Mr. Chomlak:** Can the minister indicate in what form these comments came in and at what level, what degree and how many high schools have contacted the minister to tell them to hold off the

cheques because when they send out the cheques the students drop out?

**Mr. Derkach:** Madam Chairperson, this bursary goes back some time. At one time this bursary was split into two portions. At one point in time—and this again was when the New Democrats were in government—there was a request by the minister to have it all paid out in one lump sum. At that point in time there was a report—and it is an internal report not meant for public distribution—that pointed clearly to the fact that principals in our high schools indicated that the result of that minister's request to have it all paid out in one lump sum resulted in students dropping out from their classes when they received the money, and so there was a request to have it split again so that, indeed, it would retain some of the students. In 1987, the amount was split so that students would not receive it all in one lump sum and that would motivate them to stay in school longer.

**Mr. Chomlak:** The minister indicated a figure of 12,700 students last year received student assistance. Can the minister give me the figure for the year before, and of that total, how many are receiving bursaries from the Province of Manitoba?

**Mr. Derkach:** Yes, Madam Chairperson, in 1989-90, the number of Canada Student Loan Awards was 11,791 and the total of student bursaries was 2,994.

**Mr. Chomlak:** The total bursaries for '90-91 was 3,000? Was that the figure the minister gave me?

**Mrs. Carstairs:** I have heard outlandish things from the minister, but I have to say that his comment about high school students happens to be about the most outlandish, particularly as I am sitting here with a note from a teacher, an instructor in adult programs in the public school system, which tells me up to 300 students a year at Sturgeon Creek access student aid. Most need it in order to stay in school. They are, in fact, high school students getting the very bursaries the minister says they do not need, and if they get them anyway, they rush out of school and do not continue. It is a preposterous statement to make and beyond belief.

Can the minister tell me today what documented evidence he has, names of students, numbers of students who have dropped out of school because they got the \$500 bursary, and if—

**Mr. Derkach:** Two hundred and seventy-five. Who are you talking about first?

**Mrs. Carstairs:** I am talking about high school bursary students who, the minister claims, drop out of classes when they get their \$500 cheque, and I want to know what proof this minister has of students who have dropped out of school for no other reason than the fact that they got a \$500 cheque from the government of the province of Manitoba?

**Mr. Derkach:** It would be of great assistance if the Leader of the third party would do some research and would get her act together in terms of knowing what she is talking about. First of all, there are two different bursary programs: one is a student bursary program; one is an adult student bursary program. She does not identify, she does not discern between one and the other. I do not think she knows which one she is talking about. Indeed, if she did a little homework, she would know that there is a significant difference.

The program I was talking about, in which there is a report on, is the high school regular student bursary that is provided of \$275. That is the one that there is an internal report on where there has been a request by principals not to pay the bursary out in one lump sum because their experience has been that when that money is paid out in one lump sum, students leave the program.

She may think that is funny; she may think that is outlandish; she may think that is foolish, but, indeed, that is what high school principals across Manitoba have been telling the department. There is a specific, internal report that references that.

If she wants to talk about the other bursary, the adult high school bursary, then I would suggest that she make a differentiation of what she is talking about and pose her questions in a more specific and direct manner.

**Mrs. Carstairs:** Madam Chairperson, but we have just listened to more gibberish from the Minister of Education. I have in my hand a letter to all principals of schools in Manitoba: Dear Sir or Madam—signed by your Deputy Minister John Carlyle—I am informing you that the government of Manitoba is discontinuing the high school bursary programs for regular adult students.

The note on the bottom of this from a teacher of those programs says, up to 300 students a year at Sturgeon Creek, access most needed in order to stay in school. Now what proof does the minister have that students take their cheques from the

provincial government, waltz out of school and do not consider their education? I have never, ever heard a Minister of Education of this province make statements like that with no proof before, with no documentation.

**Mr. Derkach:** Madam Chairperson, you have just seen that the fluff that she talks about is just fluffed up again. If we can get through that fluff, I would like to ask the member which programs she is talking about. Is the fluff she is putting on the record about the adult program—

### Point of Order

**Mrs. Carstairs:** On a point of order, the minister yet once again is guilty of sexist comments when he refers to an honourable member in this House as a bit of fluff, and I would ask the minister to apologize.

**Madam Chairman:** I will take the point of order under advisement. I did not hear the explicit reference interpreted the way the honourable Leader for the third party heard it. I will take it under advisement and peruse Hansard.

**Mr. Derkach:** Madam Chairperson, for clarification, I did not call the honourable member any such name. As a matter of fact, I said what she was putting on the record was that it is, indeed, exactly the words that she used with regard to an initiative that was announced by the department. I was simply reading back the content of what she had put on the record earlier in a question.

\* \* \*

\* (1510)

**Mr. Derkach:** So I would like to know if the member speaks about the high school portion of the student bursary or the adult portion of the student bursary. I am sure that we can clarify the matter if we would first of all focus our attention on one or the other at a time. If she wants to talk about the regular student high school bursary program, we can talk about that one, and then we can talk about the other program. I will make sure that she understands quite clearly what is happening in both areas, or what the status is in both areas.

**Mrs. Carstairs:** Obviously, the minister does not read the correspondence of his own deputy minister, which says very clearly, and I will read it into the record yet once again: I am informing you that the government of Manitoba is discontinuing the high school bursary programs for regular and adult students. The bursaries have been cut.

Can the minister tell this House what documented evidence he has of students—which he put on the record a few minutes ago—who, the moment they received their cheques, waltzed out of their schools, dropped their courses and said now that they were rich, they no longer had to be educated?

**Mr. Derkach:** Madam Chairperson, first of all, the \$275 student bursary program is for regular students. That is the program that the member for Kildonan (Mr. Chomiak) was asking about. That is the program that I referenced when I made the statement about the internal study that was done. It is not a massive study. Indeed, there were several comments and several references made with regard to the payment of those bursaries in one lump sum, rather than in the split portion that I indicated. That report was done in 1987. That is why the student bursary was broken again into two portions. I think that message was clear from principals at that time.

Let me say that the cut in the adult portion amounted to \$455,000, which is a separate process program and is meant for students who are not regular time students in the school but adult students in the school.

**Mrs. Carstairs:** The minister also indicated that there were no tuition fees at any of the high schools in the province of Manitoba, I think he may have said the city of Winnipeg. Indeed, there are student fees, if a student attends high school outside of their school division. How does the minister justify the elimination of bursaries, in some instances, which were used to pay the tuition portion of a nonresident school?

**Mr. Derkach:** Madam Chairperson, I think it should be known that the department is responsible for providing access to education in terms of a school division and in terms of programs that are supported through the core subject matter.

If a student decides, for one reason or another, to attend a different program outside of that area, I would say that there is some responsibility on that family's part in order to be able to have that kind of experience for the student. When we talk about no tuition fees, we are talking about the regular programs in regular school divisions.

We are not talking about programs such as the IB Program or other programs, specialized programs, which may exist and where students may, for one reason or another, wish to go out of their school division into another jurisdiction.

It is the same matter as students who want to attend a private school for that matter, an independent school. Indeed, there is some responsibility there for parents to make up the difference between the tuition fee at that school and what the support is from the government of Manitoba.

**Mrs. Carstairs:** Madam Chairperson, I have a case of a 22-year-old woman who has a 19-month-old child who lives in the St. Boniface constituency and has been for a number of years a student at the Winnipeg Education Centre. Her welfare worker, because of cutbacks, has decided that they can no longer afford the tuition differentials for her to go to Winnipeg School Division No. 1. She has also lost her bursary, which she was formerly getting as a student under the adult bursary section.

Now, can the minister tell the House what a young woman like this is supposed to do? She is working towards her upgrading. There has been a recognition in the past that the best academic program for her was at the Winnipeg Education Centre. It has been determined in the past that she was eligible for a bursary, and she has now lost all of those supports.

**Mr. Derkach:** There are two options, Madam Chairperson. First of all, that student would be eligible for a student social allowance program, which provides assistance to secondary school students who are 18 years of age and over. Secondly, she could enroll in the adult basic education program at a community college and indeed would be eligible for assistance under the Canada Students Loan Program, because she is over the age of 18 and out of school.

**Mrs. Carstairs:** Madam Chairperson, she is already on social assistance. That is how she lives. That is how she cares for her child.

Can the minister tell the House if he has had any correspondence with the Minister of Family Services (Mr. Gilleshammer) in which programs that have been paid for by social allowances—apparently in this case, they have paid the difference between the tuitions that you would pay in St. Boniface and the Winnipeg Education Centre—why they have now cut back on that and what impact that will have on the education capacity of these young women?

\* (1520)

**Mr. Derkach:** Madam Chairperson, I think the member once again has an incorrection and that is that it is not the Winnipeg Education Centre, because the Winnipeg Education Centre does not offer programs for Grade 12. I think the member must be referring to the Winnipeg Adult Education Centre, which is an entirely different area or entity.

Madam Chairperson, once again I reiterate the fact that there is support through the student social allowances program which does provide assistance for students who are 18 years of age and over. Indeed, this individual can apply for that special assistance or attend or enroll in an adult basic education program where she can be entitled to all of the benefits under the Canada Student Loans and Manitoba student bursary program.

If the member would like to give me the name of that individual, certainly I would be prepared to meet with the Minister of Family Services (Mr. Gilleshammer) to advise the individual on how she can best access support in the school that she is attending.

Madam Chairperson, I do not think we should be debating an individual case here. There are avenues that are in place and are in existence for students who are on social assistance to be able to access support for themselves while they are attending school.

**Mrs. Carstairs:** Madam Chairperson, other people who have been eligible for the high school student bursary have been students who could not obtain their academic program within their own school division. For example, I know of one young man who because he cannot take biology at Morris collegiate, because it is not taught at Morris collegiate, has in fact enrolled in a program in a Winnipeg School Division No. 1 school. That individual was receiving a high school bursary. That individual is no longer receiving a high school bursary. Can the minister tell why we have cut back on high school bursaries to students of this particular category?

**Mr. Derkach:** Madam Chairperson, for that reason adults who are eligible for or who have not achieved their high school standing are going to be allowed to enter the high schools and get a high school standing. That is part of the Strategies for Success that the department is moving on. If this individual simply moved from a school division because he could not get biology in that particular school, there

is access to programs, such as the correspondence program, as well in some of these areas.

Madam Chairperson, we simply cannot do everything for everybody in this province, and allow students to simply move from one area to another and then because they have moved from one area to another provide for them bursaries so that they can attend in that area. Our resources are limited. It was not easy to cut any of the programs, but the fiscal realities that are upon us made it essential that we had to choose some priorities and maintain the essential programs that are present today.

I would have to say that if there are individual cases such as this member refers to, it would be of some assistance to know who they are and indeed we would certainly investigate and find what we could do for them.

**Mrs. Carstairs:** Madam Chairperson, but the minister has taken away their avenues because he cut the program without any documented evidence that there was in fact any good reason for cutting such a program.

To turn to the Student Loans grants for university and college students, just so the minister knows exactly what I am referring to. He indicated that in fact in terms of Canadian standards we were ranked as No. 1. If one takes a closer examination of the loans and grants, putting aside bursaries for the moment, it would appear that in the province of Manitoba the maximum student grant-loan combination that one can get is \$3,465, and that would probably be to a single-parent mother. I have asked for the same combination of figures from Ontario and the maximum figure there would be \$5,550, some \$2,000 more per year than would be available to the Manitoba student. Can the minister explain then why our program provides substantially less in terms of a combination of grant and loan than is provided for by the province of Ontario?

**Mr. Derkach:** Madam Chairperson, I do not know why the member would want to take away the Manitoba student bursary from her calculations, but if you add the \$3,450 which is simply Canada Student Loan to the \$3,450 loan rebate and add to that \$3,450 for the bursary program, you will not have \$5,000 as they do in Ontario, but you will have \$10,350 for the 34-week program which is almost double that of what it is in Ontario.

**Mrs. Carstairs:** Madam Chairperson, I kept the student loan from Canada out in both cases of the

argument. Can the minister tell us how many students are eligible for bursaries in the province of Manitoba? I understand that the needs assessment makes virtually very few Manitoba students eligible for the \$3,465 in bursary money available to a student in this province.

**Mr. Derkach:** Madam Chairperson, I have read that out on two occasions now. The number of students in 1990-91 eligible for the bursary student loan rebate program were 3,000.

**Mrs. Carstairs:** Madam Chairperson, can the minister tell us how many of those 3,000 students were eligible for the maximum amount of \$3,465?

**Mr. Derkach:** Madam Chairperson, the numbers of students who are taking the maximums in Manitoba, we do not have the specific numbers, but I can tell the member that the average award under the Canada Student Loans Program is \$3,342 for the province of Manitoba. The Manitoba government bursary averages are \$2,040, and the loan rebate program averages are \$1,159 in Manitoba.

**Madam Chairman:** Item 5.(g) Student Financial Assistance: (1) Salaries, \$1,538,900—pass; (2) Other Expenditures, \$331,800—pass; (3) Assistance, \$10,277,000—pass.

Item 5.(h) Student Financial Assistance Appeal Board: (1) Salaries, \$133,100—pass; (2) Other Expenditures, \$7,700—pass.

Item 5.(j) Post-Secondary Career Development/Adult and Continuing Education.

**Mr. Chomlak:** Madam Chairman, the minister has indicated that the ACCESS programs are going to continue. Has the ban been lifted in terms of registration of students in the ACCESS program?

\* (1530)

**Mr. Derkach:** Madam Chairperson, the member asks about some ban being lifted, but I would have to indicate that last year, when we did not know what kind of funding we were going to be receiving from the federal government, we did indeed put a freeze on enrollment. That freeze was lifted later in the year, and we accepted 155 students into the ACCESS programs last year. This year there is no freeze in place, and as a matter of fact we will be allowing 122 new students into the ACCESS programs.

**Mr. Chomlak:** Madam Chairman, is the minister then referring to the three major programs, that is at Red River, BUNTEP and the University of Manitoba, for a total enrollment of 122?

**Mr. Derkach:** The programs that there will be new entrants into are the programs at Red River Community College, programs at the University of Manitoba, programs at Winnipeg Education Centre, the BUNTEP programs through Brandon University and the Northern Nursing program at Keewatin Community College.

**Mr. Chomlak:** Madam Chairman, I wonder if the minister could table for us—and I am sure he must have a list of all of the ACCESS programs—the number of students enrolled and the funding for last year and this year?

**Mr. Derkach:** Madam Chairperson, the enrollments in the various programs are as follows: at the University of Manitoba ACCESS Program for April 1, 1991, 40; the Special Pre-Medical Studies Program, 35; Professional Health Program, 5; Northern Bachelor of Social Work, 46; BUNTEP, 98; Community College ACCESS Program, North, 62; Education Program at the Winnipeg Education Centre, 56; Social Work Program, Winnipeg Education Centre, 60; University of Manitoba ACCESS Program—South, 12; Southern Nursing program, 59; the Community College ACCESS Program—South, 13; the Engineering ACCESS Program, 36; the ACCESS Program at Red River Community College, 29; for a total of 551.

(Mr. Ben Sveinson, Acting Chairman, in the Chair)

**Mr. Chomlak:** Mr. Acting Chair, does the minister have comparable figures for last year?

**Mr. Derkach:** I should also add that the KCC, Keewatin Community College ACCESS Programs are the following: Northern Nursing program had an enrollment of 46; the Civil Technology program, 24; and the ACCESS The Pas Program, 29; for a grand total of 650.

The numbers for last year: the University of Manitoba ACCESS Program, 42; the Pre-Med Studies Program, 36; Professional Health Program, 5; Northern Bachelor of Social Work Program, 49; BUNTEP, 101; Community College ACCESS Program—North, 32; Education Program, Winnipeg Education Centre, 60; Social Work Program, Winnipeg Education Centre, 71; University of Manitoba ACCESS Program—South, 13; Southern Nursing program, 58; the Community College ACCESS Program—South, 18; the Engineering ACCESS Program, 42; the ACCESS Red River Community College Program, 36; the KCC programs: Northern Nursing program, 46; Civil Technology, 12; for a total of 621.

**Mr. Chomlak:** How many of these programs will no longer be funded at the end of the graduating class?

**Mr. Derkach:** Mr. Acting Chair, there are three programs: the Engineering ACCESS Program, the Red River Community College ACCESS Electrical Technology Program, and the Civil Technology program at KCC.

**Mr. Chomlak:** Mr. Acting Chair, I am wondering if the minister could table the various government grants in this particular appropriation for the various programs because it does support the Manitoba Association for Native Languages, it does support Churchill northern studies centre. It would be very useful if we had a breakout of the grants that are provided under this appropriation in terms of the funding to these various agencies and programs.

**Mr. Derkach:** Besides the ACCESS programs, Mr. Acting Chair, there are only two other programs. The Churchill Northern Studies program is at \$100,000; the Manitoba Association for Native Languages is \$75,000.

**Mr. Chomlak:** Mr. Acting Chair, if I can extrapolate from what the minister indicated of the grants and transfer payments of \$7,749,500—if I subtract \$100,000 and if I subtract \$75,000 then the rest of the money is exclusively to ACCESS?

**Mr. Derkach:** Mr. Acting Chairperson, the grants that are listed there, \$7,749,500 minus the two grants that the member for Kildonan mentioned, are for university ACCESS programs.

**Mr. Chomlak:** Does a similar extrapolation work for last year, 1990-91? In other words, what did Churchill and Manitoba Association for Native Languages get last year?

**Mr. Derkach:** The amounts that those two areas will receive will remain the same as they were in the last fiscal year.

\* (1540)

**Mr. Chomlak:** I have to go back to a previous comment of the minister. The minister mentioned university ACCESS programs. The minister was referring—when he said the words university ACCESS program, he was dealing with all of the ACCESS programs in a generic—he is not.

Can the minister outline for me the distinction that he made?

**Mr. Derkach:** Mr. Acting Chair, I was referring to the university ACCESS programs.

**Mr. Chomlak:** Can the minister outline for me what the other ACCESS programs are?

**Mr. Derkach:** The other ACCESS programs, the college ACCESS programs are in salaries and in other operating areas.

**Mr. Chomlak:** What the minister is saying is the grant and transfers to the university ACCESS programs are the \$7 million plus, and if you include the salary and the allowances that would—well, you cannot do that. I am trying to get at what the total expenditure is on ACCESS on a comparative basis. Is the minister saying that one cannot include the salaries in that total because the salaries also go to other programs?

**Mr. Derkach:** Mr. Acting Chair, I am not quite sure what the member is asking for. Perhaps I could ask him to clarify his question in terms of specifically what it is he is requesting. I have no trouble providing it, but I would like to know specifically what it is that he is requesting.

**Mr. Chomlak:** I am trying to determine what the total expenditure of the government is on the ACCESS programs this year relative to last year, and I was extrapolating based on the grants, transfer payments. The minister indicated that they were staff at salary costs and I am trying to get a comparative number.

**Mr. Derkach:** For 1991-92, the total ACCESS figure is \$11,002,900.

**Mr. Chomlak:** Does the minister have a comparative figure for 1990-91?

**Mr. Derkach:** Yes, the figure for 1990-91 was \$12,506,500.

**Mr. Chomlak:** Mr. Acting Chair, did the federal government provide any money in the year 1990-91?

**Mr. Derkach:** The amount for 1990-91 was \$4.4 million and the amount for 1991-92 is \$900,000.

**Mr. Chomlak:** The minister indicated that there was a freeze on enrollments with respect to the ACCESS programs last year because of ongoing negotiations with the federal government. I assume the negotiations with the federal government are still ongoing?

**Mr. Derkach:** I have met with ministers from Ottawa on several occasions now. The negotiations with regard to status Indians are still ongoing, but that is the only area where there are some considerations or negotiations going on at the present time.

**Mr. Chomlak:** Does the minister indicate by that answer that the government at present is not

negotiating or looking towards negotiating an agreement similar to the Northern Development Agreements that were negotiated previous?

**Mr. Derkach:** Mr. Acting Chair, first of all, I have to indicate that those agreements were negotiated through the Department of Northern Affairs, but the federal government, it is my understanding, is really not prepared to enter into those types of negotiations again.

**Mr. Chomlak:** Mr. Acting Chair, the federal government, the Prime Minister, I believe, recently made a major announcement regarding educational opportunities for status aboriginal people. I am wondering if these are the negotiations that the minister is presently engaged with the federal government regarding Manitoba's share of that particular allocation?

**Mr. Derkach:** Mr. Acting Chair, I guess there have been some preliminary contacts made. I have met with Mr. Epp on the matter, and the Premier (Mr. Filmon) has had contact with Mr. Epp, as I understand it, but again those are preliminary discussions at this point in time.

**Mr. Chomlak:** Mr. Acting Chair, does the minister have any target amount of money? Can he enlighten us what his objectives are with respect to the negotiations vis-a-vis this package of money? Presumably, the province will have some kind of strategy. While I do not want to jeopardize the minister's negotiating position, there must be some kind of figure or some kind of objective that we are trying to meet in order to get our fair share of these funds, keeping in mind how discussions have gone in other areas of federal-provincial relations.

**Mr. Derkach:** Mr. Acting Chair, I can assure the member that we will be doing our utmost to try and attract as much as possible into Manitoba. Indeed, I can assure him that we will negotiate very actively to ensure that Manitoba does receive its fair share in terms of the funding that is going to status Indians for training.

**Mr. Chomlak:** Mr. Acting Chair, the minister recently announced that the Winnipeg Education Centre complex, that had been scheduled to be built in the north end of Winnipeg, would not be proceeded with on the basis, as I recall, of the government's commitment to additional programming versus the actual structure.

I am wondering if the minister can outline for me the rationale as to why that decision was made and

perhaps table any studies that indicated why that complex in the north end of Winnipeg with the housing component and all of the other attributes attached to it should not proceed?

**Mr. Derkach:** Mr. Acting Chair, I indicated quite clearly on many occasions that we were most supportive of programs that are being offered at the Winnipeg Education Centre. We want to ensure that the federal government lives up to its share of responsibility with regard to those programs on the long-term basis.

The future of those programs is still somewhat up in the air in that we do not have a firm and long-term commitment from the federal government. If the federal government does not come forth with its contribution and commitment, then it means that we will have to either change the amount that we can fund the Winnipeg Education Centre by or we will have to make up the shortfall. For that reason, we do not have those kinds of funds to be able to fill in the gap that is left by the support that was there by the federal government.

\* (1550)

It would not be wise to go ahead with the physical structure when the question of the programs has still not been settled. Indeed, the programs are very effective. We learned that from the Coopers and Lybrand report and a very positive program from the report that came through. We will continue to work very hard towards ensuring that program becomes a long-term program for students at the centre.

**The Acting Chairman (Mr. Sveinsson):** Item 5.(j) Post-Secondary Career Development/Adult and Continuing Education: (1) Salaries, \$1,052,300—pass; (2) Other Expenditures, \$1,641,500—pass; (3) Grants, \$7,749,500—pass.

Item (k) Canada-Manitoba Winnipeg Core Area Renewed Agreement - Employment and Training: (1) Grants, \$1,459,400—pass; (2) Less: Recoverable from Urban Affairs, \$1,459,400—pass.

Item (m) Literacy Office: (1) Salaries, \$246,500—pass; (2) Other Expenditures, \$55,600—pass; (3) Grants, \$587,000—pass.

Item (n) Special Skills Training: (1) Salaries, \$3,527,000. Shall the item pass?

**Mrs. Carstairs:** Mr. Acting Chairperson, can the minister tell us what motivated the declining budget of some \$250,000 plus and a reduction of four staff years program consultants, which is in direct

contravention to their statement in the Speech from the Throne that they want a well-skilled, well-trained work force in the province of Manitoba?

**Mr. Derkach:** Mr. Acting Chairperson, I would have to say that the reductions in the New Careers area is a result of the loss of federal revenue to the area, and for that reason we have had to trim the budget in accordance with the loss in revenue.

**Mrs. Carstairs:** Can the minister tell us what amount of the \$3,527,000 will come from the federal government?

**Mr. Derkach:** The province lost \$1 million under the former NDA. That has necessitated a reduction of \$240,000 in this particular area.

**Mrs. Carstairs:** Mr. Acting Chairperson, perhaps I can put it another way. Of the \$3,797,200 in last year's budget, how much of that came from the province, and in the 1992 budget of \$3,527,000 how much of that will come from the provincial budget?

**Mr. Derkach:** In these specific lines those dollars are all provincial dollars, whether they are 1990-91 or whether they are 1991-92. However, as a result of the overall decline in revenues from the federal government, the department has found it necessary to reduce in this area by \$240,000.

**Mrs. Carstairs:** I am back to my first question. Why has the province decided to spend less money than it spent last year? Do not talk about federal dollars. Let us talk about provincial dollars. Why are there less dollars being spent by the Province of Manitoba on these initiatives when, in the Speech from the Throne, they very clearly stated that one of the prerequisites that had to be acquired in the province of Manitoba was a well-skilled work force?

**Mr. Derkach:** Mr. Acting Chair, one of the things that has to be recognized is the fact that if the province does not receive federal dollars and we stop receiving those federal dollars that we received under the NDA last year—at that time we did not reduce in accordance with the number of dollars that were lost from the federal government. That loss of revenue has necessitated the reduction in this area. It is not a matter of us not being committed to training but, indeed, if you do not have the revenue, you cannot continue to keep the programs up. We have lost, as I said, a million worth of revenue. We have reduced in this particular line by \$240,000. Part of that reduction was as a result of last year's cut, but because we did not reduce accordingly last year, we were forced to reduce the rest this year.

**Mrs. Carstairs:** So what the minister is saying is that if the federal government decides to hack and slash programs for people who need skills, then that tells the provincial government that they can hack and slash at the same time. How can they, and I go back to the same thing, how can they say that they are, as a government, committed to skills training when they cut their dollars, not federal dollars, their dollars to fund the programs to train the skilled work force?

(Madam Chairman in the Chair)

**Mr. Derkach:** One of the things that one has to keep in mind, Madam Chairman, is that we cannot continually fill the gap where the federal government pulls out a program. It is not a matter of us hacking and slashing.

We are maintaining our share of programming and our investment in those programs. As a matter of fact, as the member knows, she says no, we certainly are. Last year this province -(interjection)- \$240,000, last year we lost a million dollars.

\* (1600)

There is a vast difference, Madam Chairperson, in terms of the revenue that has been lost and what we have cut from this area. Let me assure the member that we are living up to our commitment as a province in terms of supporting the programs that we have traditionally supported and our share of the programs that we are supporting.

As a matter of fact, we have increased many of the programs as are known in terms of the aerospace industry, for example. We have invested special dollars into those programs, so it is not a matter of our not maintaining our programs, but we cannot continue to support programs where there has been federal government responsibility and then make up that gap.

**Mrs. Carstairs:** This is my final question in this area because I want to move on, Madam Chairperson. I would like to know how the Minister of Education expects to have any credibility from the critics when he stands up and says, I have cut \$240,000; no, I have not cut \$240,000; yes, I have cut \$240,000; no, I have not cut \$240,000.

The bottom line is that new skills training from the Province of Manitoba is going to receive \$240,000 less than they did last year. This has nothing to do with the federal government. That is why I carefully took him through it, to ascertain how many of those dollars were federal. He told me they were all

provincial dollars. So there is no other explanation than they made a deliberate decision, despite what the rhetoric says, to train fewer people, to provide fewer people with skills in the province of Manitoba, despite all of their promises from the Speech from the Throne, all the rhetoric of their Premier (Mr. Filmon).

**Mr. Derkach:** Let me say it clearly and perhaps the Leader of the third party will listen carefully. The \$240,000 cut from the program is a result of the fact that at one time there were federal dollars. The federal government has reduced its commitment, and that has meant that we would have to pick up their share of it. We have not been able to do that. That is why there has been a reduction in this area of \$240,000. It is not, yes or no. The answer is clearly that we have reduced in this area by \$240,000, and when she asked for the reason, I gave her the reason.

If she wants to accept that, that is fine. If she does not want to accept that, that is her problem. That is the reality of this situation.

**Mr. Chomiak:** I just have one question. When comparing the New Careers to last year, we see reductions from 360 to 284; when comparing the Stevenson Aviation Technical Training Centre, we see a reduction from 262 to 145; and the Manitoba Technical Training Centre, 428 down to 240.

It does not matter what financial figures or how one blames or who one blames; the reality is hundreds of people in this province have less opportunity for training. Despite the minister's constant reference to the aerospace initiative, they have hundreds of less opportunities.

In fact, I could go back to the ACCESS program and talk about the cuts, but I will stay away from that because we have already made that point clear. The fact is there are hundreds of people who have less access to training in these programs than did last year.

**Mr. Derkach:** Madam Chairperson, clearly the member for Kildonan (Mr. Chomiak) does not understand the programs and how they are supported at all. Let me enlighten him a little so that he would know exactly what has happened since 1987.

In the New Careers area, the federal government in 1987-88 supported the program to an extent of \$1,750,000. The province's share was \$1,986,000. In 1988-89, the federal share had reduced to

\$1,223,000. The province's share went from \$1.9 million to \$2.5 million. In 1989-90, the federal share went from \$1.2 million to \$698,000. The provincial share went from \$2.5 million to \$3.1 million. In 1990-91, the federal share went down to \$17,000. The provincial share was increased once again to \$3,839,000. In 1991, the federal contribution is zero. The provincial contribution is \$3,451,000.

Over that five-year period, the provincial contribution has been \$15,000,005. The federal government's contribution has been \$3.6 million. Hopefully, that explains where we are at in terms of the constant increase and support that has gone in that direction.

**Mr. Chomlak:** Friday, March 4, 1988, this Chamber, the present minister, and I am quoting from Hansard: Well, Mr. Deputy Speaker, what do we hear now? We hear them get up in the House, and what do they do? They blame Ottawa for not funding hospitals, health care in the province. Why did they do that? To try and deflect the responsibility that they are supposed to have from themselves. This is not working with Manitobans anymore. Manitobans know where the responsibility lies. They know who is at fault and they are not going to take it much longer.

The previous words of the minister speaks for itself. Would the minister like to take those comments off the record or, perhaps, why he has changed his tune?

**Mr. Derkach:** No, Madam Chairperson, I would have to indicate that if we take a look at the revenues that the province was getting then to the revenues the province is receiving now, we see a vast difference. If we look at the squandering of dollars at that time, as compared to the investment of dollars at this particular time, again there is a vast difference.

So, indeed, although the federal government has continued to cut back, we have increased the funding as I have just read in the summary on the New Careers program. I would like to point it out to the member, since we have been in government the level of support from this provincial government has increased every year, '88, '89, \$2.5 million, 1989, '90, \$3.1 million, 1990, '91, \$3.8 million. That is commitment to the training programs for the province and to the students in this province.

**Madam Chairman:** Item 5.(n) Special Skills Training: (1) Salaries \$3,527,000—pass; 5.(n)(2) Other Expenditures \$1,177,900—pass.

Item 5.(p) Workforce 2000: (1) Salaries \$830,600.

**Mr. Chomlak:** Madam Chairman, we see an expenditure of \$3 million last year roughly in this program and \$3 million this year, and yet the program was not announced actually, I guess announced for the third or fourth time, until last week. Can the minister indicate what the \$3 million was spent on last year?

**Mr. Derkach:** Madam Chairperson, as I have indicated previously, Workforce 2000 replaces the old Job Training for Tomorrow program and the money that is seen in this particular area for 1990, '91 was for the old Job Training for Tomorrow program which has now been changed into the Workforce 2000 program.

**Mr. Chomlak:** Can the minister indicate for me in brief how the two programs differ?

**Mr. Derkach:** Yes, Madam Chairperson, the Job Training for Tomorrow program was a program that was an incentive program for small, medium and even large businesses to hire individuals and provide some training, but the differences are quite significant in that it was on-the-job training, but it was specifically wage assistance.

\* (1610)

The Workforce 2000 program has a broader scope which would include training advisory and brokerage service for the employers. It goes into human resource planning. We still have some training incentives but only for first-time employees, and we have a differentiation there from the regular first time employees and the equity group employees so that there is a greater incentive for the equity group employees. There are special programs for the trainers, if you like, who are going to be engaged in the training.

In the Job Training for Tomorrow program, there was no training actually in about 42 percent of the positions that were slated, and only about 41 percent of the individuals who were enrolled in the Job Training for Tomorrow program received permanent jobs. We are looking forward to a program in Workforce 2000 which is going to lead to permanent jobs. We are targeting the areas where there are skill shortages to ensure that we do

train Manitobans for those areas, and there will be long-term permanent jobs in those areas.

**Mr. Chomlak:** Madam Chairman, can the minister specify for me what the Professional Fees, the component \$1,995,000 is designated for?

**Mr. Derkach:** That number relates to the training incentives that would be provided for training the first-time employees, both regular and the equity group employees.

**Mr. Chomlak:** That money will be used exclusively for training. Is that what the minister is saying?

**Mr. Derkach:** Yes, Madam Chairperson, that is correct.

**Mr. Chomlak:** What was the money used for last year, the identical figure then?

**Mr. Derkach:** The money was used for wage subsidies and also for upside adjustment.

**Mr. Chomlak:** Madam Chairman, the appropriation does say Professional Fees. I am wondering if the minister can be a little bit more specific as to who will be paid these fees, and why?

**Mr. Derkach:** Madam Chairperson, this money is that which will be going for training employees in various companies, small business, medium and large business, if you like, to provide incentives for training the employees who are there, either who require retraining because the job skill has changed or, perhaps, who are first-time employees from both equity and nonequity groups for being trained in that particular industry.

In this way, we are becoming a partner in the training of individuals for the workplace. The partnership is being merged with the private sector, if you like. The program costs will be those of training, advisory and brokerage. The training incentives that we are speaking about and special courses that will be provided for those who are training to ensure that they understand clearly what is important about training individuals for a particular skill. Those are basically the types of functions that will be provided in this kind of incentive.

**Mr. Chomlak:** What form will this kind of incentive take? Is it a cash grant to private companies? Is it the form of—well, is it a cash grant to private companies?

**Mr. Derkach:** Businesses, whether they are small, medium or large, will have to provide a specific kind of training before they can be eligible for any incentive. It is money that is provided for training.

The money will be provided if the training is delivered.

We have regional people who will be working with companies to ensure that the training is provided. Then, if the training is provided, we will enter into a contract with that particular firm to reimburse them for those training costs.

**Mr. Chomlak:** Will that be 100 percent or a proportion of 100 percent?

**Mr. Derkach:** No, Madam Chairperson. I indicated quite clearly, that because this is a partnership, there is some responsibility on the firm's part to support the training. We will support up to 75 percent of the training costs.

The other thing that we are also going to be supporting is the wage incentives for regular first-time employees up to 30 percent of the wage, and for the equity groups up to 40 percent of the wage.

**Mr. Chomlak:** Can the minister indicate whether any of this \$1,900,000 will be going to training firms, per se, directly rather than through the recipient firms?

**Mr. Derkach:** Companies will be able to purchase their training from, for example, our community college system if that training is available there. If it is available through the Manitoba Technical Training Centre, perhaps they could purchase their training there. It is not a matter of us going out and spending great sums of money training somebody in the firm to deliver the program. The training can be purchased where it might be available within the current education or provincial system.

**Mr. Chomlak:** The minister is saying that the money will not go, to use the minister's example, directly to Red River Community College. It will go to company X, and company X will then use those funds to purchase training from Red River Community College. Do I understand that correctly? The minister is nodding in the affirmative.

Can the minister indicate whether or not the money will go directly, in some instances, to private training companies or Red River Community College?

**Mr. Derkach:** Madam Chairperson, if that training is available from a private vocational school, for example, there is no reason why that training cannot be purchased through that institution. I think it should be noted that this is very much in keeping with the federal government's labour market

strategy. Indeed, it is a way of ensuring that there is a meaningful partnership, so that companies that have employees on staff will take the initiative to provide training and retraining for those employees and will bear some of the responsibility for that training. That is why we are only providing up to a maximum of 75 percent of the training cost. The institution then, or the firm or the business is responsible for contributing something towards the training cost.

I might also say that in Canada as a whole, companies do not engage in training and retraining at a high enough level. This is an attempt to ensure that companies that have employees will live up to their responsibility and will increase the amount of money that they invest in training and retraining. In that way, they will retain a well-skilled work force within their company.

\* (1620)

**Mr. Chomlak:** Can the minister indicate the percentage of the \$1,900,000 that will be devoted to training?

**Mr. Derkach:** Yes, Madam Chairperson, the entire amount is devoted to the training initiative. It is all training dollars.

**Mr. Chomlak:** The minister indicated earlier some of the money is going to wage subsidies, so I do not quite understand.

**Mr. Derkach:** Madam Chairperson, of the total amount, approximately \$400,000 will be allocated for the wage subsidy assistance for the first-time regular or equity employee.

**Mr. Chomlak:** Madam Chairperson, can the minister table the requirements that the companies will have to meet in order to qualify for the training incentives?

**Mr. Derkach:** Yes, Madam Chairperson, I would be happy to table a copy of that. This is also included in the Workforce 2000 brochure, the large brochure. Did you not get a copy?

**Mr. Chomlak:** No.

**Mr. Derkach:** Sure you did. Well, we will get you one.

**Mr. Chomlak:** I would appreciate that.

**Mr. Derkach:** It was sent over to your office, I know that. As a matter of fact, it was slipped under your door. Madam Chairperson, the member for Kildonan says he did not get a copy of the Workforce 2000 package which was distributed when the announcement was made. I can assure him that

there was a copy slid under his door early in the morning, and we will ensure that he gets another copy.

**Mr. Chomlak:** I appreciate that, Madam Chair. I am certain that if the minister said it went under my door, it probably did go under my door, but I certainly did not see it. I appreciate him forwarding a copy to me, because it will assist me in trying to determine which programs are eligible and why not.

Can the minister indicate for me, can he table for us today, the list of grants that have been afforded to date with respect to this program?

**Mr. Derkach:** Madam Chairperson, the announcement that was made was a \$6-million-dollar announcement over five years. It is a co-operative program between the provincial and the federal government. We will be expecting industry to become involved in the initiative as well, but over a five-year period of time the announcement was for \$6 million worth of training that will be done in the aerospace industry in this province.

**Mr. Chomlak:** Madam Chair, my question was probably not well put. I would like a list of training that has been undertaken since the announcement of the program or that is in progress of being undertaken with respect to Workforce 2000. In other words, what has been done to this date with respect to Workforce 2000?

**Mr. Derkach:** Madam Chairperson, I just announced the program last week. Staff are just out in the field now talking to businesses across the province. So the program is so very new that I cannot give him a listing of training initiatives that have been undertaken to this point in time.

Let me assure the member that when we have some time to have established a training in that area, I will certainly be happy to discuss it with him.

**Mr. Chomlak:** Madam Chair, can the minister outline for me the basis of the core skills training program as well as the training for the trainer program? Can he outline for me the criteria for all of those, how many people he anticipates it applying to and where the courses will be undertaken?

**Mr. Derkach:** Madam Chairperson, those programs will not be available this year. They will be available next year and will be available province wide.

**Mrs. Carstairs:** Madam Chairperson, can the minister tell me what evaluation of the training programs will go on as a result of this program?

**Mr. Derkach:** Madam Chairperson, there will be several ways of evaluating the program. First of all, we do have field officers in the field who will be monitoring the programs, who will be also in touch with the trainers and the employees who are being trained. We will be asking for comment from those who are being trained in the various areas to indicate to us what their opinions of the training program are.

Also, field staff, and we have about 10 of them in the field, now will be constantly monitoring and have been trained and are being trained to evaluate the programs on an ongoing basis during the training period and also after the training has been completed.

I have two copies of Workforce 2000 that I would like to table for the benefit of the members.

**Mrs. Carstairs:** Madam Chairman, if I got that information correctly, I am assuming that 10 of the 18 professional and technical people will in fact be evaluators. Is this what the minister is saying?

**Mr. Derkach:** Madam Chairperson, those individuals will have as part of their function the evaluation component, but essentially we do have a person who is responsible for overall evaluation of the programs. When they are in the field one of the functions of the people who are going to be working in the field is to do some evaluation of the programs that are being delivered at the various businesses throughout the province.

**Mrs. Carstairs:** Finally, Madam Chairman, what encouragement will be given to businesses looking for this kind of training to look first to the community colleges for delivery of these programs and, only after they have discovered such training is not available at the community colleges, would they look to private training institutions?

**Mr. Derkach:** Madam Chairperson, I think the objective of the program is to get the best product that one can and, indeed, we will be looking at the least expensive cost of achieving that. Indeed, our community colleges, who are prepared to enter into those kinds of training agreements with various companies, will have every opportunity to do that. I think it must be left up to the employer to find the training that is best suited to the needs of that company, but certainly staff within our department are going to be very cognizant of what is available

at our colleges and will certainly be sharing that information with all of the employers that they will be dealing with.

\* (1630)

**Madam Chairman:** 5.(p) Workforce 2000: (1) Salaries, \$830,600—pass; (2) Other Expenditures, \$2,291,400—pass.

Resolution 31: RESOLVED that there be granted to Her Majesty a sum not exceeding \$91,372,200 for Education and Training; Post-Secondary Adult and Continuing Education and Training for the fiscal year ending the 31st day of March 1992—pass.

Item 6. Universities Grants Commission, \$201,584,800; 6.(a) Salaries, \$229,000.

**Mrs. Carstairs:** Madam Chairperson, can the minister give an explanation for why it was decided this year to differentiate between the universities and the contribution that they would get, thereby making a substantial reduction in the amounts of monies that would normally have gone to the University of Manitoba.

**Mr. Derkach:** Madam Chairperson, it has always been the practice of the Universities Grants Commission to allocate differential amounts to universities. The reason for that is to ensure our smaller universities would get a fair, if you like, amount of support. If you try to use one percentage for each university, you would find that the disparity between our largest university and our smallest university would become so great that, indeed, our small universities would really find it very difficult to operate. So for that reason, the Universities Grants Commission has always retained the right, if you like, or always has used the differential approach in terms of allocating funding to the universities in this province.

**Mrs. Carstairs:** Madam Chairperson, I was aware of the fact that we have had differential fees, but it seems that this year there was a particularly harsh treatment of the University of Manitoba vis-a-vis the other universities. There must have been some specific rationale as to why this year it was determined that the University of Manitoba either needed less or that the University of Brandon, the University of Winnipeg or the Collège universitaire de Saint-Boniface required more.

**Mr. Derkach:** Madam Chairperson, if I could just give sort of a flavour for the types of dollars that went to each of the institutions—and we recognize the

fact that the University of Manitoba is by far the largest institution and will have the largest needs.

In terms of dollars, the University of Manitoba received \$1,529,000—I am sorry. The real increases to each of the institutions was the University of Manitoba \$2,180,600; the University of Winnipeg \$664,500; the Brandon University at \$489,300 and the Collège universitaire de Saint-Boniface, \$203,500. That gives you sort of the breakdown of the funding that went to them. If you tried to do that in a percentage sense, then somebody like Brandon University or the college would really get a very, very minute amount in trying to cope with some of the needs that they have.

The other thing is that the smaller universities, like small school divisions, do not have the flexibility and the availability to raise some funding like the larger institutions have. I could say that the commission spent a considerable amount of time reviewing the process and the problems which have persisted over time, particularly in light of the fact that the increases this year were not as large as they have been before. So for that reason the commission looked very seriously at trying to provide enough flexibility in each area so that the universities could function. It is for that reason that they made the decision to enter into a differential allocation to each of the universities. So I would say that is probably the best answer that I can give at this point in time. It is not one that is easy for the University of Manitoba to accept and I understand that, but, indeed, they do have far more flexibility than somebody like the universities of Brandon or Winnipeg or the Collège have.

**Mrs. Carstairs:** Madam Chairperson, I think it is extremely simplistic to compare the dollars of our four universities in the province of Manitoba without also including, of course, the number of students educated at those universities and also the number of graduate schools which are taught at those universities. I mean, for example, the most expensive training that we do at the university level is medicine. There is only one medical school in the province of Manitoba and that is at the University of Manitoba.

I would like to get into some discussions now of some statistics that appeared in a recent report, and I want the minister to know exactly what report I am referring to. It is the Department of the Secretary of State of Canada, Federal and Provincial Support to Post-Secondary Education in Canada. I see that

one of his staff persons has it there, so I will make the page reference, which is 112.

I was dismayed at the number of figures that come to light here. The first one being, that the province of Manitoba is the only province in the entire nation that shows a decline in full-time university students between the academic year in 1985-86 and the academic year 1989-90. That decline is some 827 students. One compares that with P.E.I. with a population of 130,000 that saw an increase of 564 students. Can the Minister of Education tell me what the universities are doing, what the Universities Grants Commission is doing to increase the number of full-time university students at our universities in this province?

**Mr. Derkach:** Madam Chairperson, I can only provide the member with the figures that are provided to us at the department from the various institutions in the province, and let me indicate that the overall increase between '81 and '91 at the University of Manitoba has been 18.3 percent; at Winnipeg, 9.6 percent; Brandon, 61.2 percent; St. Boniface, 160.3 percent—for an overall total of 21.2 percent. That is in a 10-year period. On a part-time basis the increase over the 10-year period has been 38 percent. Full-time equivalence over that same period of time in total has been 25.8 percent.

Madam Chairperson, in addition, to try and encourage students to stay in their own communities and to bring the university services to those students, we have implemented the five regional centers, if you like, in the province where they can offer the first year of university by distance education. This takes some pressure off the universities, especially when the enrollments are so high in the first year and it creates considerable pressure on a classroom basis.

These are numbers which are provided to us by the universities, and they are really all that I can go by right at this moment.

\* (1640)

**Mrs. Carstairs:** I can only assume that the universities provided the federal government with exactly equivalent information and that the figures have not been fudged.

The other shocking statistic was when you combine full- and part-time university and college students, the increase in that five-year period for the province of Manitoba was 6.2 percent. If one looks at other provinces, which are have-less provinces,

have-not provinces, poorer provinces, than the province of Manitoba, one comes up with the following statistics: Newfoundland, 9.8; P.E.I., 17.8; Nova Scotia, 9.5; New Brunswick, 10.1.

All of those provinces have for some reason or other chosen to direct more resources into attracting university and college-level students than we have been able to do in the province of Manitoba. That does not bode well for our ability to cope with the demands upon us in the 21st Century.

Can the minister tell us what he considers the impact of a 20 percent tuition fee increase on the University of Manitoba and an 18 percent increase at the University of Winnipeg will have on a further reduction of full-time students at our universities?

**Mr. Derkach:** Madam Chairperson, I guess the difficulty is comparing data from different jurisdictions where the comparisons, for example, might use different definitions of such things as part-time, full-time, full-time equivalent students between jurisdictions and between institutions.

Also, different jurisdictions include different items in their operating grants to institutions. All of these things, when you are making the comparisons, may skew the final picture. This document that the member refers to, apparently, also includes colleges. In terms of the universities, the information that has been provided for us indicates that over the 10-year period of time, we have had some fairly significant increases in enrollment at our universities.

I have not done a comparison between this and the sources that were used in the document that the member refers to, but I understand just from the preliminary view that it is not information that has been necessarily provided directly by the universities but has been provided through the Council of Ministers of Canada.

**Mrs. Carstairs:** Whoever has given out the information, the figures do not bode well for the province of Manitoba. I want to know from the minister what impact he believes the dramatic increases in tuition fees, some 56.8 percent since the Filmon government took office at the University of Manitoba, what impact this has on declining full-time student enrollment at, in fact, a less percentage of student enrollment than is found in other provinces in Canada, and the same lack of growth in the province of Manitoba that we see in other less affluent provinces than we are.

**Mr. Derkach:** Madam Chairperson, I think the good news in all of this—No. 1, let us go back to the document itself. I think the document not only compares universities like the University of Manitoba, Brandon and Winnipeg and the Collège, but it includes private colleges, it includes the college system as well.

We have done something to refocus and reshape our colleges. I am sorry, maybe I am being—

**Mrs. Carstairs:** This definition of a college is a college like la Collège St. Boniface?

**Mr. Derkach:** And the private colleges as well, I understand.

**Mrs. Carstairs:** Not in that . . . .

**Mr. Derkach:** Yes, it says in the book itself that the college level category includes all public and private institutions that deliver post-secondary education programs without granting degrees. This category includes community college, teachers' colleges and regional and hospital nursing schools as well.

Nevertheless, I guess the good news for Manitoba is that, first of all, even with our increase in tuition fees this year, we are not out of line with what increases have resulted in many of the other provinces. We have, even with the increase, the fourth lowest tuition fees in the Arts and Science faculties in Canada. We have the richest student aid package in Canada. Additionally, I must indicate very clearly, that from our discussions with university officials, they do not feel that there is going to be a large demand on student aid as a result of the increase in tuition fees. Nor do they feel that there is going to be a dramatic decline in the enrollment in universities as a result of the increase in tuition fees.

I think what we are experiencing is the fact that we are going through a very difficult period of time, that tuition fees have to increase if we are going to continue to offer high quality programs at our universities. In the future, we have indicated that we are going to be looking and reviewing university education in this province. We have done some refocusing in our colleges now. Perhaps that is something that has to be done at the university level.

When you look at an open university concept, for example, maybe that is one way of attracting and allowing more students to partake of post-secondary education at the university level. I am one who believes that the more open we can make our university post-secondary education, the

more students throughout the province we will have participating at university-level education.

The other thing that we need to do, I think, is examine whether or not we can offer some first-year programs through our community college system. That is something that we are going to have to examine carefully and have agreement from our universities on. I think we have reached the time when we need to look at those kinds of issues very seriously and move on them as quickly as possible.

**Mrs. Carstairs:** Madam Chairperson, I would like the staff and the minister to look at page 68 which is Table No. 4, The Established Programs Financing Entitlements in Support of Post-Secondary Education. It would indicate that in 1989-90, which is the last year the statistics are available, Manitoba received \$116 million in transfer under EPF but also \$118 million in terms of transfer under tax points specifically negotiated at the beginning of the decade. The total transfers for post-secondary education were \$235,464,000. One has some difficulty in believing that figure, because if one does the necessary subtractions, it would be meaning that out of provincial revenues the total contribution was about \$16.8 million. So how does the minister refute evidence that is presented in a document like this about the contribution of the province to the funding of post-secondary education?

The reason I ask that is that he is well aware we have been involved in these dialogues where students come forward and say, we are told that the federal government contribution is such an amount, we are told that the provincial government is such an amount, but in reality the two figures do not jibe. They certainly do not jibe if the federal government is giving out a statistic like \$235 million for 1989-90. How do they come to that kind of a conclusion and publish that kind of data?

**Mr. Derkach:** I think we are in an area here where I would have to take this document back and get some explanation from Finance on it but, because it includes some of the institutions outside of the universities, I really cannot respond to what is in that document, but certainly I am prepared to take that back and get back to the Leader of the third party to ensure that she does have the accurate information from our perspective, but I have not been able to go through that document and rationalize some of the figures and tables.

\* (1650)

**Mrs. Carstairs:** I appreciate that, and I think it would be useful for the minister as well, because I am sure the next time he meets with the federal government or the Finance minister meets with the federal government, they are going to be using this kind of information, and we better be able to refute it in terms of our costs, contribution to post-secondary education in the province of Manitoba.

In Estimates in the last session, I asked the Minister of Education a number of questions about quality of education, and he again made a statement that I found outlandish at the time but did not have any basis to criticize him on to the effect that none of the university presidents had ever raised the issue of quality of education with him.

I immediately wrote to all of the presidents of the universities in our province showing them a page of Hansard and asking them for evidence that that was not the case. They all provided me with that information—speeches they had given where the minister was in attendance, documents that they had presented directly to him or to the Universities Grants Commission, and there is no question that the university presidents have expressed over and over their concern about quality education in the province of Manitoba.

First of all, I would like the minister to apologize for what he put on the record in the last session of Estimates and, secondly, I would like to know what the Department of Education is specifically doing about the quality of education in our university institutions and how we can ensure that students attending university in the province of Manitoba are assured the same quality of education as students elsewhere in this country.

**Mr. Derkach:** Madam Chairperson, I would have to indicate that in all the meetings I have had with the university presidents, I guess one could relate the fact that they continued to ask for more money, as asking for better quality education at the universities, but when we lay money aside and we talk about specific quality education, that is not a topic that was discussed at any of our meetings in terms of how we can better provide, for example, quality education in the Education faculty or in the Faculty of Management or in any of the other faculties.

So I continue to say that, because that kind of program quality is really the responsibility of the university. Yes, they can say well, because we are

not getting enough funding, we are not able to provide quality education.

I think there are more issues, and it is the same issue as it is with public school education. Quality of education does not mean that you continually keep dumping more and more money into the system. For that reason we have announced the review of university education in this province. I think that in itself is going to address, not only the funding issues that we have with our universities but, indeed, the quality education issues at our universities as well.

As the member knows full well, if I were to suggest a change in some of the programs at any of the faculties, there would certainly be a hue and cry from the university that the minister was interfering in the kind of quality of education that they are providing. I can relate that directly to the suggestion that is made in the Strategies for Success which asks the universities to change or to add to some of the education that is being provided to our future teachers.

I can tell you the university did react to that in a way that said, wait a minute, is the minister now saying he is going to start setting the standards within the university? There was a bit of a kafuffle about that because of the fact that we were interfering in the area that is supposed to be that of the university.

All that means though, is that we need to work co-operatively with the universities to ensure that there is quality education in all faculties. The review of university education is going to provide whether or not the structure needs to be changed, the funding system in terms of our share of funding to the universities and, indeed, we will get into the whole issue of quality of education and articulating better between such institutions as our colleges and our university, ensuring that people, the public at large had some input into what university education in this province is all about, and in making sure that our universities have some understanding with what goes on between themselves in terms of duplication of services, duplication of programs and rationalizing the services that they are providing.

Madam Chair, when I made that statement, I made it specifically with regard to talking about program issues with the university presidents. If it was interpreted, at our meetings when we talked about funding issues, that we were also talking

about quality, so be it, but never, at any of our meetings I had with the presidents, was the issue specifically of quality in any of the areas addressed.

As a matter of fact, I think the presidents each have a great deal of pride in the quality of education that is being offered at each of their institutions, and I might say, so do I.

**Mrs. Carstairs:** Madam Chairperson, the presidents of the universities have a very grave concern about the quality of education being offered in their educational institutions. They have expressed that concern in a number of documents which have been directly submitted to the Universities Grants Commission and to the Minister of Education himself.

For example, the addendum to the University of Winnipeg's Universities Grants Commission submission: Of particular concern is our ability to pay our more junior faculty. We believe that this ability is reflected in the tenth percentile figure. The University of Winnipeg falls substantially below both Brandon and Manitoba. We are observing the effects of our inability to pay in being unable to attract appropriately qualified faculty to key positions.

If you cannot attract appropriately qualified faculty to key positions, you have an inferior quality of education being offered in Plan 91 and in Plan 90.

The statement of the University of Manitoba: Due to prolonged underfunding, the university has been in a retrenchment mode for nearly two decades. The opportunity cost of the chronic funding shortfall is readily seen in the deterioration in the operating norms of the university, decreased staff-student ratios, inadequate support services for teaching and research, deficient library resources and equipment.

Madam Chairperson, if you have deficient libraries, if you have inadequate support for teaching and research, if you have a deterioration in the operating norms; you have, ipso facto, a deterioration in the quality of education.

How can the minister stand in his place and say the university presidents are not the least bit concerned about the quality of education, when they keep submitting documents of this nature to the minister indicating their great concern and their grave concern about the quality of education being offered to young people in the province of Manitoba?

**Mr. Derkach:** Madam Chairperson, it is unfortunate that the Leader of the third party has

now said publicly and on the record that the university education is deteriorating. The quality of education in our universities is dismal, she says.

Madam Chairperson, I take objection to that, and I think every one of the presidents would take objection to her calling down the quality of education.

**An Honourable Member:** She did not say that.

**Mr. Derkach:** Yes, she did, and that is on the record, calling down the quality of education at our universities.

Madam Chairperson, may I also say that the quality of education at our universities does not mean that we indiscriminately just dump large sums of money in without asking for some accountability from our universities and ensuring that the scarce funds that we have are distributed equally and fairly.

I ask her, if she is really interested in terms of the quality of education and what differential funding is doing to our universities, she should perhaps talk to Dr. Marsha Hanen in terms of how we have addressed the very specific issues that she talks about in addressing the issues of perhaps providing more funding to the junior professors at our universities.

Madam Chairperson, I have to indicate very clearly that we have done as much as we can for our universities this year. We have indicated and, yes, if staff continue to ask for 5 percent and 7 percent more on an annual basis, that money cannot go into programming. Indeed, it goes into the pockets of tenured staff who are taking it away from programming.

The province has a certain capacity. We have done as much as we can, given that we have a zero growth in our revenue. The Leader of the third party should recognize the fact that this province does not have a bottomless pit, but the Liberals' idea of ensuring that we have quality is simply to dump gobs of money, sums of money and continue to tax the taxpayers—more money for Education, more money for every department that they have anything to say about, and it has not quit. It is again the age-old issue of the Brink's truck of the Liberal Party.

\* (1700)

**Madam Chairman:** Order, please. The hour being 5 p.m. and time for private members' hour, committee rise.

Call in the Speaker.

## IN SESSION

### Committee Report

**Mrs. Louise Dacquay (Chairman of Committees):** 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 Niakwa (Mr. Reimer), that the report of the committee be received.

**Motion agreed to.**

## PRIVATE MEMBERS' BUSINESS

### DEBATE ON SECOND READINGS—PUBLIC BILLS

#### Bill 22—The Manitoba Energy Authority Repeal Act

**Mr. Speaker:** On the proposed motion of the honourable member for Crescentwood (Mr. Carr), Bill 22, The Manitoba Energy Authority Repeal Act; Loi abrogeant la Loi sur la Régie de l'énergie du Manitoba, standing in the name of the honourable Minister of Energy and Mines (Mr. Neufeld).

**An Honourable Member:** Stand.

**Mr. Speaker:** Stand? Is there leave that this matter remain standing? Leave? Agreed.

#### Bill 23—The Manitoba Intercultural Council Amendment Act

**Mr. Speaker:** On the proposed motion of the honourable member for Inkster (Mr. Lamoureux), Bill 23, The Manitoba Intercultural Council Amendment Act; Loi modifiant la Loi sur le Conseil interculturel du Manitoba, standing in the name of the honourable Minister of Health.

**Hon. Donald Orchard (Minister of Health):** Mr. Speaker, I want to add a few comments to the debate on this bill, because it is almost becoming—how would I put this?—sort of a cause celebre of the member for Inkster and really does not quite accurately reflect current Liberal Party policy, because the bill that we have before us is a significant departure from the member for Inkster on behalf of the Liberal Party.

Presumably he told us that he had caucused it. Well, one of his colleagues said they did not caucused it. The member for Inkster told us that he caucused it, and then he made the fatal error of saying that

well, really he had only talked it over with his Leader. That is the only one who counts in their caucus.

So there have been quite a few versions from the member for Inkster (Mr. Lamoureux), but basically their public statements around the amendment to the Estimates of the Minister of Culture, Heritage and Citizenship (Mrs. Mitchelson) really demonstrated to us clearly and unequivocally what the Liberal Party policy was. That was not, as my honourable friend would have us believe, to reinstate to MIC the funding for multicultural activities through the grants that are made available, the million dollars. The real Liberal Party policy now has been to cut the funding from the multicultural community completely.

Mr. Speaker, it is unfortunate that we have such divergent policy coming from the Liberal Party, all of which we presume is caucused, because two and a half weeks ago it was to cut the multicultural funding by a million dollars; cut it, leave it out.

Then, if we go back to when this particular bill was introduced—and I do not have that date in front of me. At any rate, I digress slightly. As I search through my copious notes, I digress slightly. Mr. Speaker, this bill—oh, here it is. Wrong bill. This bill was introduced by the member for Inkster this session. I believe that it was also introduced by the member for Inkster last session, if I recall.

**Mr. Kevin Lamoureux (Inkster):** No, that was a different bill altogether.

**Mr. Orchard:** Well, the member for Inkster says that was a different bill with a different policy involved, so that is now three policies we have from the Liberal Party, and we do not really know which one is the real policy of the Liberal Party.

Mr. Speaker, I want to tell my honourable friend from Inkster—because I really like to try to help him out because in terms of our discussions in caucus about the Liberal Party and where it is going, a lot of us have come to the conclusion that the member for Inkster (Mr. Lamoureux) is probably going to become the Leader of the Liberal Party. He is also probably going to become the only one who survives the next election, but if that is how you get to be Leader of the Liberal Party, that is fine too, because if we notice—I do not know how to put this without contravening the rules, and, of course, you know how I always diligently try to follow the rules, although I—(interjection)—

My honourable friend the member for Thompson (Mr. Ashton) reminds me of the former Minister of Health, Mr. Desjardins. Yes, I admit, he had a different opinion, but, of course, when he expressed that opinion, the Speaker of the day expelled him for a whole day because it was unparliamentary.

At any rate—I digress again, I am sorry—what we have to do is we have really got to find out what is the Liberal Party policy towards MIC. We certainly do not really understand or have a handle on that from anything the member for Inkster (Mr. Lamoureux) said. We certainly do not have a clear and definitive policy approach to the multicultural community this session emerging from the Liberal Party.

Again, I simply remind my honourable friend, the member for Inkster, that his amendment that fateful evening, Monday, a week ago, was to remove a million dollars worth of multicultural grant support funding to the multicultural community. I forget the exact numbers, but I believe that involved in excess of 100 applications and grants approved for a wide variety of purposes in the multicultural community to support numerous activities within the community. I am reminded it was well over 200 applications and grants.

\* (1710)

Now, Mr. Speaker, that puts us into a little bit of a quandary. We know basically, at least I think we know basically, what the official opposition's position is on MIC because, as I mentioned at another period of time in debate in private members' hour, they undertook in 1987 the commissioning of, I believe, Dr. McDonald to give them a sense of how they ought to approach the role of MIC, as an advisory council at that time plus the council that decided on the distribution of the same multicultural grants of a million dollars that the Liberal party and its new policy says ought not to be given to the multicultural community.

That report basically recommended a splitting off of the responsibility of the advisory capacity and the grant approval process because, I guess, not to say this in a derogatory term, but there could well have been an appearance of a conflict of interest or a cross purpose at having both functions from the one organization. That report, I believe, was concurred in by members of the official opposition, and it was certainly acted upon by this government and by my colleague the Minister of Culture (Mrs. Mitchelson). I have to indicate that I believe that the separation

of function from advisory to remain with the MIC to the granting to a separate and newly structured and empowered agency has worked well and has, I believe, given that air of impartiality to the process that is important to have, not only in appearance but in actual fact.

I am quite satisfied with the process to date, and I am quite satisfied that it is a reasonable use of a million dollars. I do not agree with the Liberal Party policy now that that million dollars ought not to be provided to the community, that it ought to be cut from the budget. I cannot concur in that.

I certainly cannot concur with the latest policy pronouncement of the member for Inkster (Mr. Lamoureux), he claims, caucused and agreed to by his confreres and Leader in the House. I cannot argue with my honourable friend when he says from his seat today that everything is caucused. That was not quite the story we got from one of his colleagues Monday night a week ago. It was a little different story from one of his benchmates in the Liberal caucus 10 days ago where the person—

**An Honourable Member:** Who was that?

**Mr. Orchard:** Well, I would not want to indicate who the person was for fear of causing further dissension in the Liberal caucus. When asked across the table, as the member for Inkster was hacking and slashing this million dollars away from the multicultural community, the question was posed of this additional member of the Liberal caucus, what are you people trying to do? The gesture was, I do not know. We did not talk about this. I did not know he was doing this.

Then, of course, as the plot thickened and the member for Inkster realized that he had really erred significantly, and I point out—you know, I just want to remind honourable friends, during the debate around that motion, and I know honourable friends in the official opposition will recognize this—but did you notice a very strange thing as the new Liberal Party policy of cutting that million dollars of money away from the multicultural community was being advanced by the member for Inkster, that he was very, very lonely at committee? Did you notice that how even the meagre support he had on Monday night seemed to sort of vanish like the morning mist come Tuesday afternoon, Thursday afternoon, and there all alone to defend the new Liberal cutback policy was the member for Inkster doing yeoman service to the cause of cutbacks in the multicultural community?

Then you see it caused a little friction between yet another member of the Liberal Party, who, I believe, has more integrity than the others of the Liberal caucus, and I have indicated that to him as a matter of fact as recently as 10 minutes ago.

It caused a little consternation, because he accused me of not really sharing all of the facts about this caucus decision. There was even, Mr. Speaker, I do not think this is unparliamentary, but there was even the accusation by this member, whom I respect, that I was fibbing a little. That was not right. I say that from second party. I am not accusing anybody of—so I am not saying that.

**An Honourable Member:** It is hearsay.

**Mr. Orchard:** It is hearsay that this individual believed that maybe I was fibbing when one of the members indicated to me—I lost my train of thought when I read that note. It was hearsay, when in reality, Mr. Speaker, it was not hearsay, it was told to us the evening before by one of his colleagues in caucus that they had not caucused it. That is fine, and when I asked the member for Inkster (Mr. Lamoureux) about it the next day he said, well, you know, all I have to do is put this motion by my Leader and that is all that counts.

I do not really know where the Liberal Party policy came from, but, by the staunchness of defence of that policy by the member for The Maples (Mr. Cheema) on a subsequent opportunity for debate, it got rather animated, it got rather unsettling.

Mr. Speaker, that led us to a proposition where we simply defeated that motion in committee without having anything but a voice vote in committee, because we did not want to put the member for Inkster (Mr. Lamoureux) and his caucus through the embarrassment of having six other Liberals either having to abandon him in a formal vote in the House on his motion or to stand with him and be tarred with the same brush.

We indeed showed some parliamentary courtesy to the member for Inkster by not putting that to a formal vote of the House. I want to tell my honourable friend the member for Inkster that that is something that happens occasionally in this House, where, despite differences, we do treat members honourably. Both the official opposition and government could have embarrassed the Liberal opposition into voting and standing with the member for Inkster on that ill-conceived motion of cutback, but we chose not to. We chose not to out

of courtesy to the member for Inkster and of the parliamentary process.

That, Sir, is a lesson that the member for Inkster (Mr. Lamoureux) ought to consider carefully, ought to consider very carefully, when from time to time in his seat he will jump up and make some of his wild rhetorical accusations as to what he heard or what someone said, because the official opposition and government bailed the member for Inkster out of a very embarrassing situation for himself and for his Leader and five other caucus members, none of whom, I submit, had any concept whatsoever of what the member for Inkster was going to propose in the cutback motion of a million dollars to the multicultural community.

So, Mr. Speaker, I say to my honourable friend that I think his Bill 23 is an inappropriate bill. I would give him the same advice that I gave him on his inappropriate cutback resolution to withdraw the bill and stop embarrassing himself.

**Mr. Ben Sveinson (La Verendrye):** I was going to ask for leave to ask him a couple of questions.

**Mr. Speaker:** The honourable minister's time has already expired.

**Mr. Lamoureux:** Mr. Speaker, if I can have leave to ask the minister a couple of short questions?

**Mr. Speaker:** The honourable minister's time has already expired. Therefore, is there leave to allow the honourable member for Inkster (Mr. Lamoureux) time to ask a question; also is there leave to allow the honourable minister time to respond? There is leave? (Agreed).

\* (1720)

**Mr. Lamoureux:** I have two questions. The first question is: The minister addressed his remarks on the funding of MIC and the Liberal Party was having a line that was going to see funds dropped from the multicultural community. Is the minister aware that when the funds—at the last time MIC distributed funds, it was \$1,296,000; when it was brought over to the board that they created, the allocation was dropped to \$1,009,000; that in fact there was a cut from this government's commitment to multicultural groups? That is the first question.

The second question, Mr. Speaker, is: After hearing the remarks from the Minister of Health (Mr. Orchard), I do not believe he has read the bill. He has asked me to withdraw it; he has said that he does not support it. The Minister of Health should

know that the intent of the bill she supports, the Minister of Culture, Heritage and Citizenship—

**Mr. Speaker:** Order, please. The honourable member is entering into debate. I believe leave was granted for the honourable member's question, which has been put.

**Mr. Orchard:** Mr. Speaker, I am so overwhelmed to have the opportunity to reply to my honourable friend.

First of all, my colleague and—I have always wanted to bring this up with you, Mr. Speaker, but I do not know how to do it genteelly, but now in response to this question—it used to be, back when Ms. Phillips was the Speaker of the House, questions of awareness were out of order. We were always slapped down, as members of the opposition, on questions of awareness, but I am willing to answer this because I know that you say they are in order. I just thought I would bring a little history back to the House. -(interjection)-

Absolutely not, I am not reflecting on the Chair at all. I am just saying that previous Chairs, whom I had disagreed with a lot—Ms. Phillips and I did not exactly see eye to eye most of the time, but nevertheless, Mr. Speaker, I want to get on with the answer to the question.

The member for Inkster (Mr. Lamoureux) failed in posing his question to indicate to the House that he was going to cut an entire million dollars from the budget. Now, there are many, many people in the community who are grateful to have a million dollars of funding and objected to the Liberal Party position that they should get nothing.

I would say to you, Mr. Speaker, if my honourable friend reflected on his question, he would have taken the advice 10 days ago that I gave him to withdraw that motion of cutback of a million dollars because the communities that access that fund did not want to see it disappear, as the Liberal Party policy would have had it disappear. That was wrong-headed new policy creation from the seat of the pants of the member for Inkster. Fortunately for him, we did not cause a recorded vote in this House so that his members would have to stand with him, including his Leader, to either say, yes that is Liberal Party policy or no, we are going to leave the member for Inkster standing alone on this because he did not caucus it.

**Mr. Steve Ashton (Thompson):** Mr. Speaker, I wish to speak on the bill. I had not intended

speaking today but the interesting discourse we just heard from the Minister of Health prompted me to rise to my feet and express by views once again in regard to the Manitoba Intercultural Council and the current bill we have before us.

I spoke on a similar bill before, Mr. Speaker, in the last session, and I indicated at the time that certainly our caucus agreed with the key elements of the bill. I must say today I find myself with almost a loss for words here because I think for the first time in a long time I am going to have to agree with some of the statements made by the Minister of Health.

Mr. Speaker, I want to assure members of this House that this is a rare occurrence—

**An Honourable Member:** Are you feeling all right?

**Mr. Ashton:** I am feeling all right. I have not been struck by the sun or by any bolt of lightning, and I want to assure you this may be the last time I agree with the Minister of Health. In fact, knowing the Minister of Health's views on many issues of my own, I am sure he is probably as surprised as I am currently.

I am standing here, Mr. Speaker, and I do hope that the member for Inkster (Mr. Lamoureux) will listen very carefully to my remarks, or peruse them, because I do believe that, as Liberal House leader, the member did, as the minister pointed out, snooker himself. I use that term because the classic game of snooker, as we are all aware, does allow for the situation I think we found the member in. The member did indeed move a reduction. What I found interesting is that the member was justifying that by saying that the Conservative government had already reduced it, but the impact of his resolution, indeed, would have been to eliminate that particular line.

One of the first lessons I learned about parliamentary procedure is that you can as an opposition cut, you cannot add, to government expenditures. You cannot do it in the form of a bill. Even a bill that is brought in in private members' hour can be called out of order, if it involves government expenditure. That is from a whole history of centuries of development of tradition.

I was very surprised when the Liberal House leader somehow thought that he would be able to make a point by moving a motion that would cut this expenditure as if it could be added back in elsewhere. I know, Mr. Speaker, we have difficulty with many of the policies of this government, and we

would love to be able to add back in expenditures that have been cut as part of this budget. We cannot.

That is the parliamentary system and that is where—and I want to state this again. This is probably the first time in a long time, and probably the last time, that I agree with the Minister of Health (Mr. Orchard) in saying that the Liberal policies in this area were somewhat hastily thought out, if I might indicate so, and I think did nothing to further what I thought was a point that we, in our party, could have supported, and we did in terms of the principle.

We have indicated our own views, having established the Manitoba Intercultural Council, Mr. Speaker. Our government established it. It was unique and is unique in Canada, because it is a body that involves, not just direct government appointment, as similar bodies do in other provinces, but it involves appointment by organizations. We were concerned about the actions of the government, and I understand the background and reviews that have taken place.

I attended many meetings of the Manitoba Intercultural Council. In fact, I attended as MLA. I attended as spouse of one of the members of the MIC. My wife for a number of years represented northern Manitoba when she was involved with the multicultural centre in Thompson. I had the opportunity to talk to many people in MIC. I know the background, and I know there were differing views. There are still differing views within the MIC on the whole question of control of lottery funds, of granting, Mr. Speaker.

I do believe that the government is responding to an element of those concerns, although I believe that many people within MIC, particularly those who are appointed by their communities, would prefer to see the communities have the control. I believe that is consistent, Mr. Speaker, with the original intent of the act, and I speak therefore in favour of this particular bill which would involve an amendment to The Manitoba Intercultural Council Act that would reinstate essentially what had been in place before.

I really raise the question, and I once again have some difficulty with the Liberal position on this. This bill seems to have some thought behind it. I indicated last year our support. I, in fact, attempted to move the previous question at a previous sitting of this Legislature, Mr. Speaker, so that we could deal by votes on this particular bill at a time when

there was a minority government, when there were two parties, which was all that was required for that to be passed into law. I remember moving that and, of course, the government decided to debate that motion, which was its right, and essentially killed that particular motion and killed that particular bill.

\* (1730)

Mr. Speaker, I think that was unfortunate. That is what surprises me about the current confusion that is existing on the part of the Liberals. I could put it down to an error in judgment on our roles, but I do know that the motion was moved by the Liberal House leader (Mr. Lamoureux). So I wish to give the Liberal House leader the benefit of the doubt and perhaps suggest that there is confusion over policy in the Liberal caucus on this issue. There is certainly—and I know people from our caucus who are in the committee—there certainly was a disagreement amongst members in the committee.

I know at least one Liberal member was, shall we say, somewhat surprised at the motion, and that may just have been that the member was not present when the decision was made, and that may indeed happen. It certainly, I think, should be a matter of concern, because I believe it was an embarrassment that the Liberals found themselves in an embarrassing position.

After having attempted to stake out a fairly consistent position on this particular bill, which is similar to bills brought in previously, to find themselves in a situation where they were justifying going after the government for having cut expenditures and having moved them over under the auspices of the group that the government had set up in terms of multicultural lottery funding, and then turning around and cutting it further. That is what amazed me about the debate that took place. I found myself having to ask myself, after all these years, how we ended up in this type of situation.

I do give the member for Inkster (Mr. Lamoureux) the benefit of the doubt. I would suggest perhaps there was some confusion in policy amongst the Liberal Party rather than a confusion over the rules of the House because, as I said, that is one of the more basic rules. It is not just a rule, Mr. Speaker, it is a parliamentary tradition. That is, that governments for whatever good or evil have the power of expenditure. That is based on a system that has developed over centuries based on the development, really, of a parliamentary system that recognizes that the executive council essentially is

in the role of being the taxing authority in terms of raising the taxes, determining which taxes have to be raised by the government and, therefore, has to have some control in the Legislature, in the parliament, over expenditures.

So perhaps I will finish now on terms of my agreement with the Minister of Health (Mr. Orchard) because, on the other hand, I did not feel that the six or seven hours that we spent in debate on that particular resolution was particularly valuable either. I suspect—excuse me, Mr. Speaker, if I sound a little bit cynical—that we did not really see the courtesy that the minister was trying to suggest to take in place. It was not parliamentary courtesy.

I would suggest that it might have been politically motivated, and excuse me if I do sound cynical, but I do believe that a press release was issued rather quickly on the subject. I have read the press release, and I must say that I thought that was rather a misleading press release, because even though I do not agree with the way in which the Liberals had moved this motion, I think the government, of all people, to put out a press release criticizing the Liberals for having cut funding in this area after they have literally gutted lottery support, not just to multiculturalism, but to sports and many other areas, I think was the height of inconsistency, shall we say, Mr. Speaker.

While I may agree with some of the debating points of the Minister of Health (Mr. Orchard), I do not believe that we should take the confusion on behalf of the Liberal Party as indicating anything other than the confusion in those ranks and does not reflect positively on the role of the government.

I am concerned about the direction of this government in terms of multiculturalism. I am not saying that all members of the government disagree with multiculturalism policies, multiculturalism funding, but we have seen statements by the Minister of Energy and Mines (Mr. Neufeld) that clearly indicate that at least one member, and I understand more, from comments that have been made, do not agree with multiculturalism funding whatsoever.

That is what concerns me about what has taken place in terms of the shift of funding, why I believe a bill such as this, an amendment to the act, is necessary, because what I am concerned about, Mr. Speaker, is that we may see the scenario develop of funding being moved out of the control of

multicultural groups, and in fact that has already happened.

We are seeing cuts in the levels of funding. That has already happened. The next step is the elimination of funding totally to those groups, and that would concern me greatly. I know the minister was quite proud of the fact. He was saying, he received many calls of support. I find it unfortunate that people would view it in that sense, although I also spoke to many people who vehemently disagreed, because I have seen the Manitoba Intercultural Council in action. I have seen the good work they have done. I have seen how reflective of this province the MIC truly is. I have seen the amount of effort that people put into making Manitoba a multicultural society and trying to develop the tolerance that is inherent in multiculturalism.

If someone were trying to redefine our identity as a country, Mr. Speaker, I cannot think of anything that is more reflective of the reality of Canada than multiculturalism.

It is not a question of significant amounts of money. The amount of money that is expended on multiculturalism either by the federal government or by provincial governments from coast to coast is not significant in terms of the overall expenditure of governments. It is very significant to the groups involved, significant to the groups that are attempting to maintain heritage languages.

I know that people say that language instruction should be a question at home. In my own home, both my children have learned Greek, the mother tongue of my wife, and in fact I indeed have learned Greek very much at home, not in a classroom environment. I know one thing that has happened in many other households is, that process has not worked, because often many Canadians attempting to maintain a heritage language, particularly new Canadians, have to deal with the economic realities, do not have the time to be able to spend on that, do not perhaps have the teaching skills.

Often what we are talking about is a grant of a few hundred dollars to allow a group to maintain its heritage language. I have seen that directly. It is a few hundred dollars we are talking about. That is why I perhaps agree with the—I admire the outspokenness of the member for Rossmere, but I do not agree with his conclusions.

That is why I do speak in support of this particular amendment, because I do believe multiculturalism is important in this province, and I believe that the way we can maintain multiculturalism is by having an organization such as the Manitoba Intercultural Council that is community based and has community-based control over multicultural programs, that is not subject to the whims of politics and political pressure, that is not going to be affected by statements made by any minister or any member of this Legislature, that has a base of funding that is predictable, that is reliable and is under their control. That is why, despite the confusions of Liberal policy, I do support this resolution, which has been inherent in the policy of the New Democratic Party from the time the MIC was established and was inherent in our policy when we were in government, not in words, but in action, on multiculturalism.

With those few comments, I would urge that this time we do not simply debate this bill out, but we seek to have a vote on this, because I would like to see where members stand on this particular bill. If they truly believe in multiculturalism, I would suggest that it is a bill that could be supported by all sides of this House, Mr. Speaker, by all members of this House.

**Hon. Darren Praznik (Minister of Labour):** Mr. Speaker, I welcome this opportunity to speak on this particular piece of legislation. It seems a rather odd occurrence in this House where the member for Thompson (Mr. Ashton) can agree with many of the comments of the member for Pembina, the Minister of Health (Mr. Orchard), and I certainly join with him in reiterating many of those comments, because what I find so odd about this, and I hope you would indulge me with this pun, being a new father, but it appears to me that the member for Inkster (Mr. Lamoureux), in trying to make a point about a policy issue, was prepared to throw the baby out with the bathwater.

\* (1740)

The member for Inkster has long been on record supporting a particular means of funding the multicultural community in which the decision making was totally devoid, in essence, of government public legislative scrutiny and put it into the hands of a particular body. One accepts that there is a policy difference there. There is no doubt about it, but his actions at committee the other night went well beyond making that political statement. In

fact, when you think about them, they are absolutely remarkable.

Here is a member, a member who I have had the pleasure of his company at many multicultural functions in his constituency and other parts of the province, someone who I have always thought, always believed very sincerely, was someone who was supportive of the efforts of using some very scarce resources, albeit lottery resources, to assist multicultural organizations in their work and efforts in supporting their communities and the development of their communities. Here in one perhaps initially blind moment, a moment when he, not appreciating the rules of this House, the rules of thousands of years of parliamentary history and procedure—a thousand years—of the ability of members to reduce that—well, hundreds of years. I am feeling somewhat older this week than I did the week before last.

One would have hoped that it was just a moment of momentary blindness as to the rules, where he moved not to make his point in asking questions, but moved to eliminate all—all—of the funding available for those same multicultural groups that he in his comments was so supportive of. You know, it would be like saying I am not happy with the policy at Hydro, so we will just turn off all the power to Manitobans, or, I am not quite happy with something in telephones, so we will just disconnect all the telephone lines; or I am not happy with some element of farm policy, so we will have absolutely no support programs for agriculture; or I am a little bit critical of some aspect of health, so we will have absolutely no funding for hospitals. I mean it is ludicrous.

What is even more disheartening—and I would hope the member's colleagues in the Liberal Party would spend some time with their member—is that members of that committee, very graciously, I think, from the other two parties in this House, gave the member for Inkster (Mr. Lamoureux) an opportunity to withdraw his resolution, to say okay, we recognize there is a difference over policy. A very—

**Mr. James Carr (Crescentwood):** Do you believe this? He was so gracious, he sends out a press release.

**Mr. Praznik:** Oh, the member for Crescentwood (Mr. Carr), I probably hit a bit of a sore spot, but the press release did not go out that night in committee, because in committee when you read the remarks, the member for Inkster was told, was warned by the

Minister of Culture (Mrs. Mitchelson), warned by the Minister of Health (Mr. Orchard) in his comments, that what in essence he was doing was cutting out over a million dollars of funding for the same groups and organizations that he purports to be supportive of.

The member for Inkster, instead of learning from the lessons of his colleague the member for Crescentwood—I remember the member for Crescentwood making some error at some point early in all our legislative careers and saying, yes, I have made a mistake, and admitting that; my colleague the Minister of Tourism (Mr. Stefanson) an error in information, apologizing; other members of this House doing the same thing.

I would hope if I were in that position, when realizing that an error had been made, whether badly briefed or on the rules, et cetera, doing the honourable thing, as other members of this House would do and I hope I would do in those circumstances, instead of recanting, instead of admitting an error was made, the member for Inkster, I think to the chagrin of the members of the Liberal Party, dug in even deeper and stronger in trying to justify an awkward decision and him bringing forward this legislation today is just exactly in that same line.

One would have thought that you would learn a lesson and let an issue die, but again the legislation comes forward. Remember in the chain of events, if it was not for the votes of the Progressive Conservative members of this House and the members of the New Democratic Party, that line would have been eliminated.

The member for Inkster (Mr. Lamoureux) was digging himself in so deeply on this thing and not sort of admitting, hey, you know this is not the way to make my point, he carried on, that it took the votes of—it would have just been sufficient to have the votes on this side of the House, but members of the New Democratic Party joined in to save over a million dollars of funding for multicultural groups to prevent the thoughtless, really thoughtless act of one member, a very misguided act of one member from destroying the funding for the important work of those groups in the upcoming year. It took our combined votes to do that, to prevent that very terrible act.

I have to say this, again the graciousness of members of the other two parties in this House in

not insisting on a recorded vote, because I think that would have caused even more embarrassment to the member when his colleagues in—

**Mr. Carr:** Graciousness. How about some in your own . . . ? I wonder if Harold Neufeld would have been in the House for the vote.

**Mr. Praznik:** Well, the member for Crescentwood (Mr. Carr) from his seat makes reference to certain members, but I wonder if the member for The Maples (Mr. Cheema) would have been in his seat for that particular vote, because I think, from his reaction at the committee room that night, he was very troubled, very troubled by the actions from the member for Inkster (Mr. Lamoureux). I know the member for The Maples well, an individual who has worked very hard in multicultural communities, and I think he was very troubled.

I tell you, I would have loved, Mr. Speaker, to have been a fly on the wall of the Liberal caucus room the next day. It would have been a very -(interjection)-well, I did not say a Liberal member, I said a fly on the wall because it would have been a very interesting discussion indeed.

Mr. Speaker, members of this House—I think the other two parties, the Conservative and New Democratic Parties, are quite enjoying this because it shows that again, it is no good when any member so digs in on a point of view that he digs, as the member for Thompson (Mr. Ashton) intimated from his seat, a hole that is six feet deep, two feet wide and about six feet long. Then, when he gets in the hole, which is what he is doing with this act, is taking his hand on the shovel and covering himself up and packing the top of the grave.

The logical sequence of events in this whole thing, Mr. Speaker, is the Liberal Party, or perhaps we should spare the Liberal Party for their embarrassment. The member for Inkster (Mr. Lamoureux)—we will isolate this somewhat—the member for Inkster comes to committee and moves to do away with all the dollars for multicultural groups. Then he comes to the House after doing that and brings a bill to set up a mechanism to spend nonexistent dollars, if he had his way. Talk about a hollow act. What a hollow act, really, when you think about it. Cut the money out of the budget and then proceed with the bill, you know, and the only dollars, of course, that would ever be available for something like this were dollars that the other two parties had to vote to keep in the budget, dollars that

he wanted to take out. So again, what a scenario, total lack of logic, total lack of consistency.

The reality, of course, is there is an honest disagreement between him and his party and us on this side of the House as to a delivery mechanism. Out of that disagreement, instead of debating that issue or recognizing that decisions were made and waiting should the electors of Manitoba ever, and I do not think this will happen, give them the chance to be in government, correcting it. He instead decides to carry out this—I would not say vendetta, I do not know what term for this line of a battle that is long gone—to carry it forward into the committee, into Estimates and hurt seriously those groups that he purports to try to help.

I would hope that the members of the Liberal Party show some kindness to the member for Inkster, spend some time with him in the next while and try to get him back on the track that I know he is very likely capable of doing. I think, Mr. Speaker, we on both sides and the other two parties hope that his colleagues will spend that time with him and ensure that he gets back on track and appreciates the kind of, no doubt, great embarrassment that he has brought on his colleagues in the Liberal Party, he has brought on this Legislature in trying to cut out those dollars. It is a very regrettable scenario.

\* (1750)

This particular bill -(interjection)- Mr. Speaker, I hear the member for Wellington (Ms. Barrett) speaking, and I do not know if she is trying to say the New Democrats are trying to balance one of their particular members with the member for Inkster (Mr. Lamoureux) or not. I am not quite sure about her comments.

This particular bill seems to be out of date in terms of the issue. The dollars that would go into the mechanism created here are dollars that the member for Inkster (Mr. Lamoureux) has voted at committee to take out of the budget. Only through the votes of government members and those of the official opposition do those dollars exist. If the member for Inkster is moving motions to remove those dollars, I find it very hypocritical that he would bring in a mechanism—very laughable—that he would then bring in a bill to create a mechanism to spend dollars that he himself has moved be cut from the budget.

It is just a silly scenario, and it is rather an odd situation when the member for Thompson (Mr.

Ashton) and the member for Pembina (Mr. Orchard) can have substantial agreements in their comments. That says to me, as the member for Thompson said, probably the first time in 10 years, and I would just hope that all members of this House would note this day; because it does say when there is stupidity, when there is hypocrisy, when there is a lack of forethought in planning, that it can bring even two very divergent parties together to do the right thing. So it is a day to be noted.

Mr. Speaker, I would like to thank you and members of this House for the opportunity to put my very brief remarks on the records of this Assembly.

**Mr. Sveinsson:** Mr. Speaker, I move seconded by the honourable member for Niakwa (Mr. Reimer), that we adjourn debate on Bill 23.

**Motion agreed to.**

#### **Bill 24—The Business Practices Amendment Act**

**Mr. Speaker:** On the proposed motion of the honourable member for St. Boniface (Mr. Gaudry), Bill 24, The Business Practices Amendment Act; Loi modifiant la Loi sur les pratiques commerciales, standing in the name of the honourable Minister of Energy and Mines (Mr. Neufeld).

Stand? Is there leave that this matter remain standing? Leave? Agreed.

#### **Bill 25—The Environment Amendment Act (2)**

**Mr. Speaker:** On the proposed motion of the honourable member for St. James (Mr. Edwards), Bill 25, The Environment Amendment Act (2); Loi no 2 modifiant la Loi sur l'environnement, standing in the name of the honourable Minister of Health (Mr. Orchard).

Stand? Is there leave that this matter remain standing? Leave? Agreed.

#### **Bill 26—The Environment Amendment Act (3)**

**Mr. Speaker:** On the proposed motion of the honourable member for St. James (Mr. Edwards), Bill 26, The Environment Amendment Act (3); Loi no 3 modifiant la Loi sur l'environnement, standing in the name of the honourable member for St. James (Mr. Edwards).

Stand? Is there leave that this matter remain standing? Leave? Agreed.

**Hon. Darren Praznik (Deputy Government House Leader):** Mr. Speaker, I believe if you canvass the House there may be agreement to call it six o'clock.

**Mr. Speaker:** Is it the will of the House to call it six o'clock?

The hour being 6 p.m., this House now adjourns and stands adjourned until 10 a.m. tomorrow (Friday).

# Legislative Assembly of Manitoba

Thursday, May 16, 1991

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