



Fifth Session - Thirty-Fifth Legislature

of the

# Legislative Assembly of Manitoba

## DEBATES and PROCEEDINGS

(Hansard)

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The Honourable Denis C. Rocan  
Speaker*



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

**Members, Constituencies and Political Affiliation**

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

## LEGISLATIVE ASSEMBLY OF MANITOBA

**Thursday, May 26, 1994**

**The House met at 1:30 p.m.**

### **PRAYERS**

### **ROUTINE PROCEEDINGS**

### **READING AND RECEIVING PETITIONS**

#### **ACCESS Program Funding**

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

**An Honourable Member:** Dispense.

**Mr. Speaker:** Dispense.

**An Honourable Member:** Read it, please.

**Mr. Speaker:** Oh, you want it read? The Clerk will read it.

**Mr. Clerk (William Remnant):** The petition of the undersigned citizens of the province of Manitoba humbly sheweth that:

WHEREAS under the ACCESS program hundreds of students from disadvantaged backgrounds have been able to get post-secondary education and training; and

WHEREAS these students have gone on to successful careers in a variety of occupations, including nurses, teachers, social workers, engineers amongst others; and

WHEREAS the federal government has eliminated their support of the ACCESS program; and

WHEREAS the provincial government has cut support by 11 percent in 1993 and a further 20 percent in 1994; and

WHEREAS the enrollment has already dropped from over 900 to roughly 700 students due to previous cuts; and

WHEREAS the provincial government, in addition to cutting support for the ACCESS program by over \$2 million in the current year, is also turning it into a student loans program which effectively dismantles the ACCESS program.

WHEREFORE your petitioners humbly pray that the Legislative Assembly request the Minister of Education and Training (Mr. Manness) to consider restoring the funding to ACCESS program.

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

**An Honourable Member:** Dispense.

**Mr. Speaker:** Dispense.

*The petition of the undersigned citizens of the province of Manitoba humbly sheweth that:*

*WHEREAS under the ACCESS program hundreds of students from disadvantaged backgrounds have been able to get post-secondary education and training; and*

*WHEREAS these students have gone on to successful careers in a variety of occupations, including nurses, teachers, social workers, engineers amongst others; and*

*WHEREAS the federal government has eliminated their support of the ACCESS program; and*

*WHEREAS the provincial government has cut support by 11 percent in 1993 and a further 20 percent in 1994; and*

*WHEREAS the enrollment has already dropped from over 900 to roughly 700 students due to previous cuts; and*

*WHEREAS the provincial government, in addition to cutting support for the ACCESS program by over \$2 million in the current year, is also turning*

*it into a student loans program which effectively dismantles the ACCESS program.*

**WHEREFORE** your petitioners humbly pray that the Legislative Assembly request the Minister of Education and Training (Mr. Manness) to consider restoring the funding to ACCESS program.

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

**Some Honourable Members:** Dispense.

**Mr. Speaker:** Dispense.

*The petition of the undersigned citizens of the province of Manitoba humbly sheweth that:*

*WHEREAS under the ACCESS program hundreds of students from disadvantaged backgrounds have been able to get post-secondary education and training; and*

*WHEREAS these students have gone on to successful careers in a variety of occupations, including nurses, teachers, social workers, engineers amongst others; and*

*WHEREAS the federal government has eliminated their support of the ACCESS program; and*

*WHEREAS the provincial government has cut support by 11 percent in 1993 and a further 20 percent in 1994; and*

*WHEREAS the enrollment has already dropped from over 900 to roughly 700 students due to previous cuts; and*

*WHEREAS the provincial government, in addition to cutting support for the ACCESS program by over \$2 million in the current year, is also turning it into a student loans program which effectively dismantles the ACCESS program.*

**WHEREFORE** your petitioners humbly pray that the Legislative Assembly request the Minister of Education and Training to consider restoring the funding to ACCESS program.

\* (1335)

**Mr. Speaker:** I have reviewed the petition of the honourable member (Mr. Santos). It complies with

the privileges and the practices of the House and complies with the rules. Is it the will of the House to have the petition read?

**Some Honourable Members:** Dispense.

**Mr. Speaker:** Dispense.

*The petition of the undersigned citizens of the province of Manitoba humbly sheweth that:*

*WHEREAS under the ACCESS program hundreds of students from disadvantaged backgrounds have been able to get post-secondary education and training; and*

*WHEREAS these students have gone on to successful careers in a variety of occupations, including nurses, teachers, social workers, engineers amongst others; and*

*WHEREAS the federal government has eliminated their support of the ACCESS program; and*

*WHEREAS the provincial government has cut support by 11 percent in 1993 and a further 20 percent in 1994; and*

*WHEREAS the enrollment has already dropped from over 900 to roughly 700 students due to previous cuts; and*

*WHEREAS the provincial government, in addition to cutting support for the ACCESS program by over \$2 million in the current year, is also turning it into a student loans program which effectively dismantles the ACCESS program.*

**WHEREFORE** your petitioners humbly pray that the Legislative Assembly request the Minister of Education and Training to consider restoring the funding to ACCESS program.

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

**Some Honourable Members:** Dispense.

**Mr. Speaker:** Dispense.

*The petition of the undersigned citizens of the province of Manitoba humbly sheweth that:*

*WHEREAS under the ACCESS program hundreds of students from disadvantaged backgrounds have*

*been able to get post-secondary education and training; and*

*WHEREAS these students have gone on to successful careers in a variety of occupations, including nurses, teachers, social workers, engineers amongst others; and*

*WHEREAS the federal government has eliminated their support of the ACCESS program; and*

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*WHEREFORE your petitioners humbly pray that the Legislative Assembly request the Minister of Education and Training to consider restoring the funding to ACCESS program.*

#### **PRESENTING REPORTS BY STANDING AND SPECIAL COMMITTEES**

##### **Committee of Supply**

**Mrs. Louise Dacquay (Chairperson 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 La Verendrye (Mr. Sveinson), that the report of the committee be received.

**Motion agreed to.**

##### **TABLING OF REPORTS**

**Hon. Donald Orchard (Minister of Energy and Mines):** Mr. Speaker, I would like to table the Annual Report of the Manitoba Mineral Resources Ltd. for 1993, and, as well, the Supplementary Information for Legislative Review for Manitoba Energy and Mines.

#### **INTRODUCTION OF BILLS**

##### **Bill 11—The Legislative Assembly Amendment Act**

**Hon. Jim Ernst (Government House Leader):** Mr. Speaker, I move, seconded by the Minister of Family Services (Mrs. Mitchelson), that leave be given to introduce Bill 11, The Legislative Assembly Amendment Act; Loi modifiant la Loi sur l'Assemblée législative, and that the same be now received and read a first time.

**Motion agreed to.**

##### **Bill 209—The Manitoba Environmental Rights Act**

**Ms. Norma McCormick (Osborne):** Mr. Speaker, I move, seconded by the member for The Maples (Mr. Kowalski), that leave be given to introduce Bill 209, The Manitoba Environmental Rights Act (Loi sur les droits environnementaux au Manitoba), and that the same now be given and received for the first time.

**Motion presented.**

**Ms. McCormick:** Mr. Speaker, the underlying principle of this bill is the declaration that all citizens have a right to adequate and safe environmental resources, to clean air, clean water and uncontaminated land.

In granting this right to Manitobans, it imposes a collateral obligation on their government as a whole and not simply on any single minister or department to protect the environment. It establishes an environmental commissioner whose responsibility it will be to conduct investigations and reviews of practices, proposals and policies which may be harmful to the environment.

Mr. Speaker, rights cannot simply be conferred without naming the ways in which these rights are to be exercised. This bill outlines the ways in which Manitobans will have an increased role in environmental protection.

Mr. Speaker, I recommend Bill 209 to all members of this House.

**Point of Order**

**Hon. Jim Ernst (Government House Leader):** On a point of order, Mr. Speaker, from the remarks made by the member for Osborne, it seems to me that the hiring of staff and the paying of same is a money bill that would require a royal recommendation, which I do not think the member has.

**Mr. Steve Ashton (Opposition House Leader):** Mr. Speaker, the question may arise, but it would be more appropriate on second reading. It is a member's right to be able to introduce legislation. If the government House leader wishes to pursue that at that point in time, I am sure it will be dealt with, but at this point in time it is in order, I believe, for the member to be able to introduce this at first reading.

**Mr. Speaker:** On the point of order raised by the honourable government House leader, the honourable opposition House leader is quite correct. Until we see the bill—we have not seen the bill, so you could be right and you could be wrong, sir.

We will allow this matter to proceed until such time as we get an opportunity to see the bill.

\* \* \*

**Mr. Speaker:** Is it the pleasure of the House to adopt the motion? Agreed?

**Some Honourable Members:** Agreed.

**Mr. Speaker:** Agreed and so ordered then.

\* (1340)

**Introduction of Guests**

**Mr. Speaker:** Prior to Oral Questions, may I direct the attention of honourable members to the gallery, where we have with us this afternoon from the J.R. Walkof School fifty-six Grade 5 students under the direction of Miss Linda Bergen. This school is located in the constituency of the honourable Minister of Energy and Mines (Mr. Orchard).

Also, from the Minnedosa Collegiate we have fifty-five Grade 11 students under the direction of Mr. Daniel Kiazyk. This school is located in the constituency of the honourable Minister of

Culture, Heritage and Citizenship (Mr. Gilleshammer).

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

**ORAL QUESTION PERIOD****Kenaston Underpass  
Justification**

**Mr. Gary Doer (Leader of the Opposition):** Mr. Speaker, my question is to the First Minister.

The largest project approved by the three levels of government dealing with the infrastructure program to date is the Kenaston project, the underpass proposal requesting some \$29 million of taxpayers' money be spent. We have received a lot of advice from individuals concerned about this project, both in the community and outside of the community, that there is really no major economic benefit for this project, and it has very questionable merit in terms of the amount of money that is being proposed by the provincial government.

We are also aware that the City of Winnipeg is to complete their own transportation plans as part of Plan Winnipeg with extensive public hearings. Those transportation hearings will not be completed until December of 1994, yet this project is approved by the three levels of government prior to this project.

Does the Premier have any cost-benefit analysis that he can table in this House to allow us to be having this as the No. 1 priority in terms of spending for infrastructure, and why would we approve this project when the study under Plan Winnipeg is not even to be completed until December of 1994?

**Hon. Gary Filmon (Premier):** Firstly, Mr. Speaker, this is not the No. 1 priority. There have been hundreds of projects announced under the infrastructure program. In fact, the amount of money that has been allocated to this point is \$160 million for several hundred projects. So it is one of many priorities.

I might also say that as was our desire, we have had a process of consultation that has involved the two levels of government in addition to ourselves;

that is, the federal government and the municipal government being involved in stating their priorities, in agreeing to the projects that have been put forth.

This was a project that was a high priority for both the federal government and the City of Winnipeg. As one of the partners to the process, it is one of the programs that was included in hundreds of projects for an expenditure in excess of \$160 million.

**Mr. Doer:** Mr. Speaker, I asked the Premier to table any cost-economic benefits analysis that would be available and why we are approving this project before the transportation plan under Plan Winnipeg with public consultation—not consultation just with governments in back rooms but with public consultation—is completed.

I would like to ask the Premier a second question, and I would still like him to consider my first request for the analysis, but the second question is: The government in its press release indicated that truckers and motorists will have uninterrupted four-lane access from Highway 75 south of Winnipeg all the way to the Winnipeg International Airport. On March 21, 1991, the Premier wrote one of his constituents and said that it is his government's priority, and it is committed to diverting as much large truck traffic to the Perimeter Highway as possible.

It seems to us and citizens in the area that all we are doing is facilitating truck traffic from the location. Even with the relocation to the Sterling Lyon Parkway of the intermodal centre, we are facilitating more traffic of trucks to the airport, Mr. Speaker, and again it does not make any economic sense.

Can the Premier please tell his constituents and citizens why he is proceeding?

\* (1345)

**Mr. Filmon:** Mr. Speaker, the member for Concordia has a good memory, but it is short. He, of course, conveniently forgets that when he was the Minister of Urban Affairs, he put extra money into the capital spending of the City of Winnipeg and a carrot of \$10 million on the understanding that they would create the Chief Peguis bridge and

freeway that connected northeast Winnipeg that included his constituency and that of his then-member for Rossmere, Mr. Schroeder. It included, of course, the constituency of his colleague at that time, Vic Schroeder, and he was very interested in having that constructed.

They did not do any cost-benefit study on that, Mr. Speaker, no cost-benefit study whatsoever. All they did was say, for political reasons, we want that bridge to go and we will give you \$10 million if you build that bridge. So let him not suggest now that there should be some different type of analysis than he was prepared to do when he was in the position to make decisions.

**Mr. Doer:** The Premier has so many errors in his answer, but the biggest error of his answer is that he did not answer the question about his contradiction between truck traffic through Kenaston Boulevard up to the airport, contradicting the letter he wrote to his own constituents in 1991.

I would like to ask the Premier another question, and I hope he can answer it.

Mr. Speaker, there are now plans underway to have a combined air cargo trucking centre close to the airport. A number of proposals would call on rail, air and truck transportation to be intermodally performed near the airport on a different rail line than the one which the government is now building an underpass under.

I would like to ask the Premier, why did the government not consider this proposal in terms of its future implications for jobs and economic development. Why are they going ahead with the underpass on Kenaston, Mr. Speaker, which is obviously contrary to other proposals that are in the economic arena now in Manitoba?

**Mr. Filmon:** My understanding, Mr. Speaker, and I believe it is the understanding of both Mr. Axworthy and the member for Winnipeg South, Reg Alcock, that this is a key link in that project in order to ensure that there is—[interjection] The member does not want to know the answer, I am sure.

### Home Care Program Appeal Committee

**Mr. Dave Chomiak (Kildonan):** Mr. Speaker, last year the government changed the rules regarding home care services, charged a user fee for home care equipment and charged a user fee for ostomy supplies. Today, we are glad to hear that the minister has announced an appeal committee and an advisory committee on continuing care. We welcome this announcement. Even though it is one year too late, we welcome the announcement.

Can the minister advise this House whether the appeal committee will have the power to change decisions in home care, even though the government rules and regulations that were changed last year say otherwise?

**Hon. James McCrae (Minister of Health):** Mr. Speaker, I appreciate the honourable member's support for this measure which I believe will create a buffer between home care clients and the service provider, i.e., the government itself.

If you put yourself in the position of a client of home care and you are not comfortable with the service you are getting, you really feel in somewhat of a helpless position whereby you only have the government to turn to. So I believe this appeal panel is the right approach and the right thing to do.

The criteria which have been in existence from the beginning will initially be the criteria by which the appeal panels will make their decisions. However, as they do their work, they will see and notice, no doubt, certain trends in the delivery of home care, and working alongside the Home Care Advisory Council, we expect to review all of those policies and delivery mechanisms and so on, Mr. Speaker, so that if improvements are the result of recommendations made by either or both panels, then the clients, the people we work for will be all the better for it.

**Mr. Chomiak:** Mr. Speaker, can the minister advise the House whether an individual or individuals who now have to pay for home care equipment, supplies, or ostomy equipment will have the ability to appeal that decision, that user

fee, to the appeal committee the minister has set up?

**Mr. McCrae:** These committees and panels are there to assist people who get caught up in the bureaucracy which sometimes develops in programs like Home Care. These advisory councils will be there to make available advice to government, and rather than try to tell them what their advice ought to be, as the honourable member seems to suggest we ought to do, I think we should show a little respect for the process and hear from the advisory council or the appeal panel at the appropriate time.

\* (1350)

**Mr. Chomiak:** Mr. Speaker, I think the minister's answer is no.

### APM Management Review

**Mr. Dave Chomiak (Kildonan):** Mr. Speaker, my final supplementary to the minister: Can the minister finally today make the Connie Curran report on home care public, and will he have the advisory committee that is looking after continuing care changes, will he let the advisory committee look at the Connie Curran home care report?

**Hon. James McCrae (Minister of Health):** I certainly will, Mr. Speaker. The advisory council will have the advice that flowed from the project available to it. I have told Dr. Connelly and Miss Keirstead today that there are a couple of things about this that I would like them to bear in mind.

One of the things is that I have a concern that has not been resolved yet respecting any suggestion that home care services might be contracted out to personal care homes in light of the fact that personal care homes are now the subject of a review which we announced recently. I did not feel it was appropriate that that be part of the review at this time. I am also not interested in recommendations that would get rid of the services of licensed practical nurses in the program.

I am interested, however, as a result of the APM work that was done last year, in improvements to patient care. I am interested in improved information systems, improved co-ordination and

improved equity of assessments for patients and clients of the Home Care program.

**Manitoba Telephone System  
Faneuil Corporation Agreement**

**Mr. Paul Edwards (Leader of the Second Opposition):** Mr. Speaker, my question is for the Minister responsible for the Manitoba Telephone System.

We have been advised by government staff that there will be an announcement in the coming weeks of a further deal with the Faneuil Corporation. They are already here and have a three-year contract for telemarketing services previously done by the Manitoba Telephone System. Given recent events, the staff at the Manitoba Telephone System are truly in a state of unknowing and flux at that corporation and I think deserve some answers about their future and about the corporation's future.

My question for the minister: What is the nature of the further deal with Faneuil? I recognize details cannot be forthcoming today, but can he tell us what is on the table of existing services which MTS now offers?

Surely he can come clean on that and put that on the table. What is being offered of current services currently offered by Manitoba Telephone System as part of this arrangement?

**Hon. Glen Findlay (Minister responsible for the administration of The Manitoba Telephone Act):** Mr. Speaker, the member makes reference to a three-year contract that has been signed to market value-added services that MTS has to offer to the public. I can tell the member that they have been very, very successful, increasing the activity at MTS with those value-added services. So it is a very significant plus, increasing the opportunity for more jobs at MTS because more services are being bought by members of the Manitoba public who are made aware of the services that MTS has to sell.

Any further discussion with Faneuil about any future operation is based on exactly the same thing, more services to be sold, more use of the Manitoba Telephone System network to generate more

revenue and more jobs within the system. It is an attempt to expand the use of the system by services that are marketed inside and outside the province through the use of a joint venture operation.

The member realizes the discussions that have been going on for some time are not concluded, and we cannot say anything more other than the intention is to have more jobs, more use of the service in the province of Manitoba to do services inside and outside the province.

**Mr. Edwards:** Mr. Speaker, further for the same minister: Can the minister indicate, because this is a critical time—two of the unions are meeting tonight to decide whether or not they will take another vote on the layoffs versus the Bill 22 days—whether or not the current arrangement which is being negotiated will have any effect on the current staff complement at Manitoba Telephone System?

Will there be any layoffs from MTS regardless of overall employment in the province? Are MTS jobs at risk as a part of this deal? Can the minister at least give that assurance to Manitoba Telephone System employees today?

**Mr. Findlay:** Mr. Speaker, the member must understand technology. Overall, through telephone systems around the world, particularly in North America, more technology actually leads to less jobs. Our vision here is to find ways and means to have more services marketed by the MTS and through MTS to solidify more jobs in MTS, absolutely.

We are looking at the upside of this to protect jobs that are there and expand the opportunity for more jobs. That is the sole intent that we are about here, and if we do not get those jobs in this province they will happen somewhere else in North America. So we are chasing them, pursuing them so that there are more jobs, more network activity in Manitoba.

\* (1355)

**Mr. Edwards:** Mr. Speaker, finally, for the same minister, an arrangement with Mr. Steve Childerhouse, former head of the Winnipeg Chamber of Commerce, was extended recently. That arrangement with him, and reading from the

original Order-in-Council, was for the writing of a definitive agreement required for MTS, Manitoba Trading Corporation and the Faneuil Corporation developing a structure for working processes and documentation.

What is the nature of Mr. Childerhouse's work? Is it with respect to this further arrangement? Can the minister indicate when we can expect to see and get definitively the things that are on the table from the province, from Manitoba Telephone System and from the Manitoba Trading Corporation as part of this deal?

**Mr. Findlay:** Mr. Speaker, I think I have given my answers so far on that. We have the intention to create more jobs. In his profession, he knows that it is not an easy process to write agreements and those agreements are worthless until they are signed. That is the process we are in.

#### Education System Physical Education

**Ms. Marianne Cerilli (Radisson):** The fitness and health professionals organizing and supervising young people at the Fit Week launch today find it incongruent that the four ministers sponsoring the venture are all cutting back on fitness, physical education and health prevention programs while claiming to support all of these initiatives.

My question is for the Premier. Will the Premier clarify this government's policy in terms of preventative health care and in terms of quality daily physical education? Does this government support the program? Whom does the Premier believe should teach this program providing active living skills, physical education and health and fitness education to young people in Manitoba?

**Hon. Gary Filmon (Premier):** Mr. Speaker, my government and I personally are very supportive of encouraging healthy lifestyles in Manitobans. We believe that educating and encouraging Manitobans to maintain a healthy diet, nutritious intake, to play sports actively, to maintain their physical fitness are all very positive things that ought to be encouraged.

I personally try to always ensure that I participate so that I can be an example of that, and I know that the member who asked the question leads a very healthy and active lifestyle herself. I believe that is a very important part of what we do here, and I would certainly encourage it in every way possible.

**Ms. Cerilli:** Mr. Speaker, I do not think that was a specific answer to the specific question that I asked, which was about daily quality physical education program which this government's Education minister is planning to eliminate by eliminating phys ed professionals in the schools.

My second question for the Premier: Why is the government penalizing future generations due to the habits of their parents who did not benefit from these programs, and does the Premier agree that these programs should be eliminated because, as the Minister of Education (Mr. Manness) seems to have indicated to the specialists in this area, that they are not showing people—

**Mr. Speaker:** Order, please. The honourable member has put her question.

**Mr. Filmon:** Mr. Speaker, we are not eliminating the programs and I reject the fact that the parents of these children did not have these programs.

My involvement on a lifelong basis and commitment to physical education and healthy lifestyle is based on what I learned when I was in school and based on the dedication of tremendous numbers of teachers who were dedicated to helping children, to working with them, to coaching, to being involved in all of those things.

I might tell you that they were dedicated because they believe in it, not like the member for Radisson, who believes that people should only do that if they are paid extra to do it. I reject that totally.

**Ms. Cerilli:** Mr. Speaker, we believe that all people of Manitoba should be able to participate in physical education and fitness programs, not only if they can afford to belong to—

**Mr. Speaker:** Order, please. The honourable member, with your question.

\* (1400)

**Ms. Cerilli:** My third question for the Premier: Will the government listen to young people of Manitoba when they responded overwhelmingly to the High Schools Athletic Association survey and said that sports and athletic and cultural and arts programs help them stay in school, help them develop life skills, make school more enjoyable and make them feel good about themselves? Will they listen to those young people and ensure that schools have strong arts, culture and athletics programs so these children have a positive alternative?

**Mr. Filmon:** Mr. Speaker, my government and I could not be more committed to that process. I participate several times a year with the Manitoba High Schools Athletic Association in various events they put on because of a commitment to ensure they carry on the good work that they have been doing for decades and generations. [interjection]

Now we hit it, Mr. Speaker. The member opposite goes like this: money. She believes that the only answer to everything we do in society is more money, more taxes, higher taxes. More money is all that she believes makes the world go around. There are thousands of dedicated people who organize, coach, participate in sports throughout our society who do not do so because of the money they are getting, who do so on a volunteer basis. I reject totally the attitude that is demonstrated by the member for Radisson.

#### Point of Order

**Ms. Cerilli:** Mr. Speaker, to clarify—

**Mr. Speaker:** On a point of order, what is your point of order?

**Ms. Cerilli:** On a point of order, the Premier should look at his budget and—

**Mr. Speaker:** Order, please. The honourable member for Radisson, you do not have a point of order. You asked for clarification, and that is not a reason to use a point of order.

#### Louisiana-Pacific Co. Environmental Assessment

**Ms. Rosann Wowchuk (Swan River):** Mr. Speaker, when the Louisiana-Pacific project was announced we said we welcomed the project but we wanted to see it done right, and we wanted all aspects of the project to be looked at, in one-stage environmental review to see that all concerns were addressed. However, the government has chosen to do a split review and review the plant and then the forest separately.

I want to ask the Premier why—when he was in Swan River, he said that all environmental and forest management concerns will be addressed before Louisiana-Pacific will begin work on the proposed plant in Swan River. Why did the Premier say one thing in Swan River and then proceed with another plan with a split review?

**Hon. Gary Filmon (Premier):** Mr. Speaker, unlike the member for Swan River, who tries to tell them in Swan River that she supports the project and then comes here and with her colleagues does everything possible to undermine and kill the project, I have been consistent. I have said that it will have a proper environmental assessment and review, and indeed that is what it is getting.

**Ms. Wowchuk:** I have never spoken with a forked tongue like this Premier.

**Mr. Speaker:** Order, please. I want to caution the honourable member. You are on the line.

#### Aboriginal Issues

**Ms. Rosann Wowchuk (Swan River):** Mr. Speaker, since serious concerns have been raised by aboriginal people in the area regarding their traditional land use areas, their treaty land entitlements—and I have raised those issues in the House with this government and they have refused to address these concerns—I want to ask the Premier if he will direct representatives of his government, the ministers of his cabinet to deal with the aboriginal issues that are of a concern in this deal in a better way than they did with the Repap deal so that this deal will not be in jeopardy.

Let him clear the record. I am not opposed to the proposal. I want it done right.

**Hon. Gary Filmon (Premier):** Mr. Speaker, the member for Swan River will first try and undermine it due to environmental concerns, then she will try and kill it by alleging concerns about—

**Point of Order**

**Mr. Steve Ashton (Opposition House Leader):** Mr. Speaker, on a point of order, the Premier should be aware of Beauchesne 481, Citation (e), indicating that members shall not "impute bad motives or motives different from those acknowledged by a Member." This is also reinforced in Beauchesne Citation 484.(3).

The member for Swan River has been very clear in her position.

We know the Premier is desperate, but he should not make those kind of imputations in this House. He should withdraw those categorical comments immediately—

**Mr. Speaker:** Order, please. The honourable member does not have a point of order. I do not believe that the honourable First Minister was imputing motive.

\* \* \*

**Mr. Filmon:** Mr. Speaker, I make no imputations about the member for Swan River. Her actions speak louder than any words that I could use.

In her desperate attempt at politics to try and kill that project, I tell you that she is not going to get away with it. We will respect all environmental laws. We will respect all aboriginal rights in this province. We will respect the right of people to propose projects and to go through a proper hearing process and to be judged on the basis of all of the laws and regulations that we have in place to review and analyze them, and we will respect the decisions of the Clean Environment Commission.

**Ms. Wowchuk:** Mr. Speaker, I want to assure the Premier that I am only raising the concerns of my constituents because I am concerned about them as they are concerned.

**Wood Supply**

**Ms. Rosann Wowchuk (Swan River):** Since loggers who have operated saw mills are

concerned—because even though they have raised their concern with the Minister of Natural Resources (Mr. Driedger) about having a long-term wood supply, now they are becoming increasingly concerned because they have not gotten assurances from this government that there is an adequate wood supply to meet all the needs of the people in the area.

When is the minister going to address the concerns raised by the loggers and ensure that they have a long-term wood supply to continue their saw mill operations along with working—supplying wood for the mill? When is the minister going to address these concerns that loggers have raised?

**Hon. Albert Driedger (Minister of Natural Resources):** Mr. Speaker, I have always sort of accepted the premise of the member for Swan River that she was supportive of the Louisiana-Pacific project, but the kind of questioning that has taken place leads me to believe that there is more to it than the statements she is making.

I want to say to the House and members here that I have met with the permit holders, I met with the member, and I have given them the assurance that we will look after their requirements over a period of time. She continually keeps coming back and saying: When are you going to make a commitment?

Let me clarify first of all, there are two components here. There are the quota holders who have a guaranteed cut all the time. The permit holders are people that apply for a permit from time to time to have a cut. We are dealing with those people, have given them assurances, and the member herself has said to me, privately when we had a discussion, that the permit holders are not right on cue either.

Mr. Speaker, I have given the member the assurance that I will work together with her permit holders, but I will not be held up to political ransom by her raising questions in here and then coming and confirming with me otherwise.

### Municipal Board Gimli Project Review

**Mr. Jerry Storie (Flin Flon):** Mr. Speaker, the Premier was saying earlier that one should be judged on their actions and not their words. The Premier talks in every corner of this province about the importance of small business and the importance of the jobs that small business creates.

The people of Gimli have seen some of the Premier's actions. The Court of Queen's Bench Justice Scollin has just indicated to the Chuds that the actions of the Duguids in this matter and their opposition to this important job creation initiative in Gimli simply does not show any common sense.

The judge goes on to say that never mind that Mr. Duguid may not actually be sitting—as the Premier suggested he would not—in judgment on this issue, he goes on to question whether his colleagues who are on the board are going to be passing judgment and assessing a member of their very own panel and asked the question, is there not something offensive about this.

My question to the Premier is: Will he now cancel the hearings that are scheduled for tomorrow? Will he save the taxpayers that money, allow this project to begin construction so that the people of Gimli who want this construction to proceed, the council who are continuing to support the judge will not have to incur further delay and frustration simply for political reasons?

**Hon. Gary Filmon (Premier):** Mr. Speaker, I will take the question as notice until I get a copy of the remarks to which the member is referring.

\* (1410)

**Mr. Storie:** Mr. Speaker, these are the official transcripts that I am reading from. The judge makes it very clear that this is a travesty.

My question to the First Minister: If he wants his actions to coincide with his words, will he now agree to save the taxpayers' money, stop the duplicate hearing that is not necessary, override his minister and do what is right?

**Mr. Filmon:** I will take the question as notice, Mr. Speaker.

**Mr. Storie:** Mr. Speaker, my question to the First Minister is: Given that this project has been delayed now for months because of the government's interference, will the First Minister please advise the Minister responsible for Rural Development (Mr. Derkach) that this hearing shall not go ahead?

**Mr. Filmon:** Mr. Speaker, I find it incredible that the member for Flin Flon would suggest that we ought to wipe out all of these processes for land use review, wipe out everything.

He said it has been delayed for months. It has been delayed because it has gone through due process. It has gone through the municipal council. It has gone through the various processes of review. It has gone through the Interlake planning board.

If he says that is a needless delay, I disagree and I reject that totally.

### Cross-Cultural Training Members of the Legislative Assembly

**Mr. Gary Kowalski (The Maples):** Mr. Speaker, the Manitoba Coalition against Racism has organized a rally to be held today in front of the Legislature. Organizers hope the rally will convey a strong message that we as a community must unite against hate, prejudice and intolerance in society.

My question to the Minister of Culture, Heritage and Citizenship: A 1990 report by the Manitoba Intercultural Council recommended that the government of Manitoba provide a one-day, cross-cultural sensitization workshop to all members of the Legislative Assembly.

Why has the minister chosen to overlook this recommendation?

**Hon. Harold Gilleshamer (Minister of Culture, Heritage and Citizenship):** Mr. Speaker, within our Citizenship Branch, we have been working very actively with the community to put in place programs to address this particular issue.

Most recently, we have developed the Respect for Workplace Program that is now being looked at very favourably by the Civil Service Commission

and the government union. This program has received wide acclaim, not only from government employees but also from the private sector. I think this initiative that we have undertaken is a very positive one, and it is being welcomed by employees of government.

**Mr. Kowalski:** Will the Minister of Culture, Heritage and Citizenship tell us why his government requested in a 1990 letter sent by the then-Minister of Culture, Heritage and Citizenship to the chairperson of the Manitoba Intercultural Council that the MIC provide the government of Manitoba with recommendations on initiatives to deal with racism and then ignored the recommendations?

**Mr. Gilleshamer:** Mr. Speaker, I am prepared to review correspondence that the member is talking about dating back four or five years. I will tell him that the program we have put in place entitled Respect for Workplace is working very well and is received very positively.

As well, we have been working through the Multicultural Grants Advisory Council to work with community groups, to provide some funding for groups that want to try some experimental programs to help sensitize the community, and these too have worked very well.

**Mr. Kowalski:** In the spirit of today's antiracism rally, will the minister take a strong stand against hate, intolerance and racism and implement a cross-cultural awareness program for MLAs?

**Mr. Gilleshamer:** I can tell you, Mr. Speaker, that this government has taken a very strong stand, and I certainly look forward to getting into the Estimates debate with the member and other critics. Hopefully, that will happen fairly soon so we can look at these programs in quite a bit of detail.

Recently, I did attend a forum in his area of the city. One of the members of the opposition was there at that particular event, and through going to events like that and getting a better understanding of the issue, we in government can put in place programs that can be truly effective, and I hope that on another occasion, perhaps he too can attend those events.

### Vital Statistics Branch Decentralization

**Mr. John Plohman (Dauphin):** Mr. Speaker, as a result of the bungled Wang Canada deal on job creation and technology development, a penalty was paid by Wang Canada to the government, and on May 12, the Finance minister said that the penalty was going to be used to upgrade computer systems in the Legislature, which is contrary to the promises made that, in fact, it would be used to establish a data centre for vital statistics in Dauphin as part of the decentralization plan.

I want to ask the Minister of Finance to tell the House why the allegedly over \$2-million penalty against Wang Canada was not used to modernize and decentralize the Vital Statistics branch to Dauphin and deliver the 21 jobs that were promised to Dauphin in 1990 under the decentralization plan.

**Hon. Eric Stefanson (Minister of Finance):** Mr. Speaker, the member for Dauphin is actually melding two separate issues. A review was done by the Department of Family Services on the viability and the cost benefit of potentially transferring Vital Statistics to Dauphin under the decentralization initiative.

My understanding is that study showed that there was not a cost benefit to be derived to the province by making that move, and that is a separate review process under decentralization, which is separate and distinct from our ability to take advantage of the credit that was due the province from Wang. As outlined in the press release and information provided back a couple of weeks ago, the \$2.1 million has been utilized to upgrade capacity, to upgrade equipment requirements and to provide a network that links this building with all aspects of government.

**Mr. Plohman:** Mr. Speaker, in view of the fact that various news media, including Broadcast News and reporter Glen Johnson, who now works for the Tory caucus, stated clearly—and I have the transcripts—that the Minister of Finance and the Minister of Rural Development both said on numerous occasions that the negotiations were ongoing to decentralize Vital Statistics to Dauphin

in connection with the Wang penalty, can the Minister of Finance explain why he continued to make those kinds of statements to the media in Dauphin and Broadcast News, to leave them with the impression this was still going to happen when, clearly, the government had no intention to honour its commitment of 1990?

**Mr. Stefanson:** Mr. Speaker, I would be interested in the member for Dauphin providing me with copies of the transcripts that he has been referring to.

As I have already responded to him in the first part in terms of quotes attributed to me, in the first instance we have been reviewing the viability. Family Services was reviewing the viability of transferring Vital Statistics to Dauphin.

That was a separate initiative. If that was deemed to be of a cost benefit, there was an opportunity to potentially accomplish it, in part, through the penalty and credit that was due under Wang.

The separate decision was made that there was not a cost benefit to be derived by making that transfer. So that was a separate decision and the ability to utilize the credit was then put to use in the facility right here in this building to maximize capacity.

So, Mr. Speaker, I want to make it clear that the review of the Vital Statistics transfer to Dauphin was done on a stand-alone basis. If it was determined to be viable and of benefit to government, then there was an opportunity to use the credit, but because the first information indicated it was not viable and not of a cost benefit, therefore, obviously no need to use the credit.

**Mr. Plohman:** Mr. Speaker, this is the first time this minister is making it clear. He has not made it clear over the last number of years. He has made it clearer to the contrary.

I want to ask the Premier whether he will agree with his Minister of Rural Development (Mr. Derkach), who said as late as September of 1993 that he still has not, and I quote, given up on meeting the commitments to Dauphin under the decentralization plan, whether in fact he agrees with that statement, whether in fact they are still

undertaking to meet that commitment and precisely in what form will that take to meet the commitment made under the decentralization plan of 1990.

**Hon. Gary Filmon (Premier):** Mr. Speaker, despite the opposition of the New Democrats, we have proceeded with decentralization that has resulted in over 600 jobs being decentralized into rural Manitoba.

There are many, many towns, villages and communities that are absolutely thrilled by the effects of decentralization, the additional jobs and opportunities that it has brought to their community, the investment that has taken place there and the people who are working there and contributing to the economy. We will continue in our plans to ensure that the decentralization initiative remains a very positive and productive part of government policy.

\* (1420)

#### Public Housing Child Safety

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

On April 3, a five-year-old child had his foot severed, and on April 8, very tragically, a five-year-old was killed in a railway accident in Brandon. I appreciate there are no easy answers. There is no one answer to eliminating accidents, but everything reasonable should be done to enhance the safety of children and to eliminate or minimize possible future accidents.

I wrote to the Minister of Housing a few weeks ago requesting her and her staff to consider having fences installed in units owned by Manitoba Housing to help keep the small children in the safety of their yards.

My question to the minister is: Has she had an opportunity to review this matter, and is she prepared to take some action?

**Hon. Linda McIntosh (Minister of Housing):** Mr. Speaker, I thank the member for Brandon East for raising the question and the issue with me.

Indeed, my staff has looked at that situation. We will be proceeding at some point this summer with building fences along the lane to try to save the children from finding themselves in that kind of a precarious position in the future.

**Mr. Leonard Evans:** Very good. Thank you very much. I appreciate the positive answer of the Minister of Housing.

#### Rail Industry Safety Review

**Mr. Leonard Evans (Brandon East):** Just by way of supplementary to another minister, the Minister of Highways and Transportation, I also wrote to this minister a few weeks ago to ask if he and his staff would review the overall issue of rail safety with the federal minister of transportation to enhance and promote a greater degree of safety, especially for young children, respecting rail traffic.

I would ask the minister if he and his staff have had an opportunity to do this, to approach the federal minister, who, I know, has the chief responsibility for rail traffic in Canada.

**Hon. Glen Findlay (Minister of Highways and Transportation):** Mr. Speaker, indeed, what happened in Brandon was a most unfortunate incident. A certain accident in Winnipeg in the west end was also very unfortunate, with a woman and a young child being killed.

I can tell the member that we wrote a letter to the National Rail Safety Committee, which is reviewing some activity they might get involved in to improve rail safety, and we very strongly stressed the two incidents in Brandon and the one in Winnipeg in terms of examples of we have not done enough in promoting rail safety.

I can assure the member that the railroads, CN and CP, continue their education policy. The Manitoba Safety Council also continues rail safety education policies. Everybody is onside with trying to improve the safety, but I can assure the member that this government, this minister has done what he can with working with the federal people to make them aware of the incidents so he can improve safety in the future.

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

#### NONPOLITICAL STATEMENTS

##### Canada Fit Week

**Mr. Speaker:** Does the honourable member for Radisson have leave to make a nonpolitical statement? [agreed]

**Ms. Marianne Cerilli (Radisson):** Mr. Speaker, I rise today to make a nonpolitical statement to recognize Canada Fit Week. A few of us enjoyed the events outside this morning in the sunshine with a number of young people from the province. It helped, I think, once again to raise our awareness of deteriorating fitness levels. I am sure all of us have a difficult time making time to take care of our health and fitness, and it reminds us that we need to do that.

I think, Mr. Speaker, we have to recognize also the professionals working in the areas of fitness, physical education, recreation, health prevention. These professionals do a lot of work in preventative health. We talk a lot, I think, about how we want to have a focus on health and a focus on healthy communities. Nowhere is that more well done than by taking the time to participate with friends or family in fitness activities.

Fitness activities are a unique way of people developing relationships and coming together to enjoy a common positive activity. I think that through this kind of activity many people develop skills that they can apply in other areas of their life. So I think we cannot undervalue the positive benefits that all of these kinds of professionals and activities and programs are providing to the community.

I just want to reiterate one of the messages that comes from Participation, and that is that we all have to just get out and just do it.

**Mr. Speaker:** Does the honourable member for The Maples have leave to make a nonpolitical statement? [agreed]

**Mr. Gary Kowalski (The Maples):** I would like to add my comments about Fit Week. My own personal experience—as a young child of five, I spent half a year in the hospital with a heart

condition, and only through participation in sports over the years in school and in high school and with the help of professionals, with the help of community members, volunteers who coached me, family members was I able to become a relatively healthy person.

So I commend the province for celebrating this event. It is important in everyone's life, and I want to acknowledge the week. Thank you.

**Mr. Speaker:** Does the honourable Minister of Health have leave to make a nonpolitical statement? [agreed]

**Hon. James McCrae (Minister of Health):** Thank you, Mr. Speaker, and thanks also to my colleagues. I was joined by the honourable members who have spoken earlier today, and the Minister responsible for Sport (Mr. Ernst) and the member for Sturgeon Creek (Mr. McAlpine) and the member for Niakwa (Mr. Reimer) and a whole lot of other people, young people, older people, all of them interested in fitness and observing Canada Fit Week. The suggestion, I think, flows from that we observe fitness at all times.

I took particular note of the efforts that the Fit Week committee must clearly go to to put on a kickoff like we saw today at the Legislature, and I think a word of commendation should go to all of the people involved in making sure everybody is where they should be at the right times.

I also made note of the presence of the City of Winnipeg Police bicycle officers today and the leadership they displayed, and they helped some of us who were out there riding bikes today, so I think it is nice to have that kind of a presence. They were particularly popular with the younger people who were there today. All of us MLAs, I am sure, were out there thinking we were going to be the big cheese, and the people who carried the day were the Winnipeg City Police bicycle patrol people, who added so much to it.

So, Mr. Speaker, a word like that is due, I think, to all of the people involved today, and as Health minister, obviously I encourage this, because a life of fitness is a happier and healthier life.

## ORDERS OF THE DAY

### House Business

**Hon. Jim Ernst (Government House Leader):** Mr. Speaker, I wonder if you would canvass the House to see if there is unanimous consent for Committee of Supply to sit on Wednesday evening, June 1, from 7 p.m. to 11 p.m., with the provisions of subrule 65.(9) to apply for the entire sitting.

**Mr. Speaker:** Is there unanimous consent to sit on the evening of June 1, between the hours of 7 to 11 p.m., and that our same rules would apply that we traditionally use in Committee of Supply, 65.(9), I believe it is? Is that agreed? [agreed]

**Mr. Ernst:** Mr. Speaker, House leaders have had some discussions with respect to certain adjustments in the Estimates sequence. I think if you canvass the House you will find there is unanimous consent to set aside the Estimates of the Departments of Education and Training; Industry, Trade and Tourism; and Environment, so that the section of the Committee of Supply meeting in Room 255 may begin consideration of the Estimates of the Department of Agriculture for today.

**Mr. Speaker:** Is there unanimous consent of the House to alter the sequence of departments being considered in Room 255, to set aside Education and Training; Industry, Trade and Tourism; and the Environment, so that we can proceed with the Department of Agriculture starting today? [interjection] That is not what he said. Okay. Let us try this again. Order, please.

**Mr. Ernst:** Mr. Speaker, I want to make it perfectly clear that we are, for today only, considering the Estimates of the Department of Agriculture. We may or may not next week either continue with that process or revert to previous processes. For the time being—for today at least—we will be considering the Estimates of the Department of Agriculture. We will decide amongst House leaders next week as to the process that occurs at that time.

**Mr. Speaker:** That is easier. Is there leave to bring forward the Department of Agriculture for today, set aside the rest of them? [agreed]

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

**Motion agreed to,** 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 Agriculture; and the honourable member for Seine River (Mrs. Dacquay) in the Chair for the Department of Family Services.

#### COMMITTEE OF SUPPLY (Concurrent Sections)

#### AGRICULTURE

**Mr. Deputy Chairperson (Marcel Laurendeau):** Will the Committee of Supply please come to order.

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

**Hon. Harry Enns (Minister of Agriculture):** Yes, Mr. Deputy Chairperson, I have an opening statement, and I would like to provide my colleagues in the committee with copies of same. I would like to read the statement into the record.

I want to begin by saying that I look forward to working under your leadership, Mr. Deputy Chair. [interjection] Thank you, Mr. Deputy Chairman. You will note that I referred to you as Mr. Deputy Chairman. Any other reference to you I would regard as an insult to your manliness.

I am pleased to have this opportunity to present and discuss the 1994-95 Estimates for the Manitoba Department of Agriculture. I am delighted to be back once again as Minister responsible for Agriculture, and it is an honour for me to restate our department's commitment to the

agriculture and food sector, an industry vital to Manitoba's economy and rural communities.

Agriculture and food. It is extremely important to Manitoba's overall economy. Agriculture's indirect and direct contribution to Manitoba's GDP in 1992 was 11.8 percent. For every dollar of net income produced by the primary agriculture, about \$1.70 is generated in Manitoba's overall economy. Agriculture directly or indirectly accounted for about \$1.09 of production in Manitoba's economy.

In 1992, agriculture contributed some 20.1 percent of the total added value for the goods producing sector in this province. Some 41,000 persons in 1992 were directly employed in agriculture. In addition, about 22,700 persons were employed in other areas of the provincial economy as a direct result of the agricultural industry. For that same year, the total employment generated by agriculture was some 13.2 percent of Manitoba's labour force. Another way of putting it, one job in eight was the result of agriculture production. For every two Manitoba jobs created on farms in 1992, almost one job was created in other areas in Manitoba's economy. Moreover, agriculture is directly responsible for thousands of other jobs in other parts of Canada.

Despite the adverse weather conditions and disappointing crop yields in many areas of the province last year, nonetheless, total farm cash receipts were above a year earlier levels. An increase in crop receipts resulted from increased marketings and prices for barley, oats, canola, dry peas and potatoes, more than offsetting the lower returns from other crops, principally wheat. Manitoba's diverse crop base tends to moderate the effect of crop losses on overall farm income. Higher payments out of the GRIP and Crop Insurance were of fundamental importance to this year's income figures to our primary producers. Buoyant cattle markets pushed cattle prices to record levels last year which together with increased income from hog, poultry and PMU operations raised livestock receipts by about 9 percent.

\* (1440)

On the cost side, Manitoba producers paid lower stabilization and crop insurance premium payments, lower interest rates, fuel and pesticide costs last year, which is a welcome reversal of the constant cost pressure that primary producers operate under. Overall realized net farm income in 1993 was estimated at 48 percent above the '92 estimate. I appreciate that this comment will probably raise some questions, but I will be pleased to explain them in more detail when we deal with the issue specifically.

National and international trends impacting on agriculture. As we approach the balance of this decade, the financial health of Manitoba's agriculture and food industry is sound.

International trade will open up opportunities for Manitoba export products both within North America and offshore, under the NAFTA, North American Free Trade Agreement, that came into effect on January 1, 1994, after being ratified by Canada, the United States and Mexico. NAFTA, we anticipate, creates a market for about 350 million people, with an output of about \$7 trillion per year. This agreement opens up new export opportunities for Manitoba agricultural products. More specifically, Manitoba gains improved market access to 85 million people in Mexico.

GATT—with the new GATT, the General Agreement on Tariffs and Trade, agreement, Manitoba will have improved access to other countries. GATT will bring about the international elimination of major nontariff barriers, reducing export subsidies, fewer trade distorting domestic support programs, and clearly defined health and safety standards.

With the implementation of the GATT agreement, our agrifood industry will be faced with addressing structural changes. Government programs must be reconsidered to ensure that they meet GATT commitments to reduce export subsidies and to minimize trade distortions.

Our supply managed sector must now adapt to the elimination of input quotas. However, the replacement tariff equivalents should provide ample protection for our industries.

Canada is currently negotiating with the American government on a side bilateral arrangement. The American government is seeking to eliminate Canadian exports to the United States of wheat, barley, sugar and sugar-containing products, and peanut butter paste. The American government is also requesting greater Canadian market access for the United States produced chicken, ice cream and yogurt.

Manitoba and Canada prefer that both respective countries conclude a bilateral arrangement with reasonable access levels, but only if our agricultural industry is not compromised.

With negotiations presently stalled, the United States has threatened prohibitively high tariffs under Article 28 of the GATT on wheat, wheat flour, semolina, barley and malt.

Canada has announced its intentions to retaliate with tariffs on a variety of agrifood products should the United States take action on its tariff threat.

The Government of Canada established a producer payment panel to recommend options for the delivery of the WGTA, the Crow, to producers, and a group to study efficiency measures in the grain handling and transportation system. The reform of the WGTA has taken on a new sense of urgency as WGTA benefits paid on shipments through the West Coast or Churchill have been determined to be an export subsidy subject to reductions of 36 percent in dollars and 21 percent in volumes under GATT. The volume reductions make minor changes to the WGTA unworkable.

The Manitoba Agri-Food Advisory Council, on behalf of Manitoba, made representations to the producer payment panel and the efficiencies group. The council has insisted upon a renewed commitment to fund levels outlined within the Western Grain Transportation Act and full compensation of producers for changes to the method of payment and pooling.

Under the heading safety nets, in addressing agricultural safety nets, Manitoba continues to support the move from commodity-based income support to whole-farm income protection programs. The trend away from commodity-based

income support has been reinforced by the termination of the National Tripartite Stabilization programs for cattle, lamb and hogs.

Accordingly, Manitoba proposes to extend the coverage of the Net Income Stabilization Account, NISA, to all commodities except supply management, and National Tripartite Stabilization commodities for the 1994 tax year. This would include cattle, lamb and hogs.

Let me outline some of the department's objectives. They are as follows: preservation and strengthening of the family farm; reduction of economic risks for farmers through enhancement and stabilization of farm incomes; the expansion of production of agricultural commodities, especially those with potential for value-added processing in Manitoba; development and expansion of market opportunities for agricultural products, particularly international markets or import replacement; providing opportunities for younger and beginning farmers to enter agriculture and to develop viable farming operations; cultivation and improvement of Manitoba's soil and water resources and the environment.

Manitoba Agriculture is continuing to provide a department leadership role in being an agent of change. In doing so, Manitoba Agriculture is working with our strategic partners in addressing the emerging needs and opportunities of the agricultural food sector.

We produced last year a document called Vision For The 1990s. That has been reviewed and revisited and renewed and I would like to present to the members of the committee copies of that Moving Towards the Vision document that I am referring to. It serves as a strategic road map for guiding our decisions that are within the Department of Agriculture and our activities up into the year 2000. The foundation for developing our vision was based on our close working relationship with our strategic partners. More specifically, we developed Vision for the 1990s after extensive consultation with all our partners in the agro community.

Some examples from this document are Marketing/Market Orientation: Fresh Chilled

Pork. Manitoba's agriculture is participating with the industry in examining fresh chilled pork logistics. The department is actively working towards establishment of a commercial processing facility in Manitoba for this export-oriented product.

In the dairy industry, Manitoba Agriculture participated and co-operated with the Manitoba Forage Council and the Manitoba Holstein Friesian Association in a trade display-related project at the 1993 World Dairy Expo in Madison, Wisconsin. These efforts culminated in significant sales of dairy cattle, hay and straw from Manitoba, to buyers located in American Midwestern states, and in the identification of promising market opportunities concerning various worldwide markets for both dairy cattle and foragers.

With pork, Manitoba Department of Agriculture participated and co-operated in a promotional, graphic display of swine breeding stock from the western provinces at the World Pork Expo in Des Moines, Iowa. This undertaking supported efforts towards the western provinces consolidating their promotional activity within this specialty area with a focus on penetrating the American market. This project resulted in significant sales opportunities being identified which the industry is following up on.

**Export Sales of Fresh Vegetables to Northern U.S.** Staff in co-operation with Peak Vegetable Sales have actively pursued developing a market in the Minneapolis area for Manitoba fresh vegetables. Significant sales have resulted, and work is continuing toward further increasing the number of clients and sales volume within this promising market.

**Pork Exports to California.** In 1993, Manitoba Agriculture was instrumental in initiating Manitoba pork exports to California. By the end of that year, approximately 250,000 pounds of Manitoba pork were being shipped each week into that state. With this new market penetration, Manitoba's pork is gaining a reputation for its high quality and leanness in places where it is sold throughout California.

\* (1450)

**Diversification and Value-Added.** Our Crop Diversification Centre is one that the Manitoba Department of Agriculture is extremely proud of to be one of the contributing participants in the new Crop Diversification Centre initiative. The new centre is being funded by the Government of Canada, government of Manitoba and agribusiness. Its operation will be driven by market needs and opportunities. The new centre is being established to provide increased opportunities for Manitoba farmers to diversify into horticultural, special crops and forage industries. The centre will be controlled by industry representatives in co-operation with strategic partners, such as the federal and provincial agencies, agribusinesses, suppliers, industry associations and market organizations.

A few words on the PMU operation in this province. Ayerst Organics is an international pharmaceutical company located in Brandon. This successful company purchases pregnant mare urine from producers for use in the pharmaceutical industry. The province assisted Ayerst Organics with its recent expansion plans. In support of the province's contribution, Manitoba Agriculture is assisting the province's producers in their need for related technical, production and research PMU information and in their need for PMU increased production through Manitoba Agricultural Credit Corporation financing.

In the Industry Promotion and Consumer Awareness, "Manitoba Vegetables—Peak Performance," Manitoba Agriculture produced a 14-minutes video featuring the Manitoba vegetable industry. This video, "Manitoba Vegetables—Peak Performance" informs the viewer about vegetable production in the province from planting right through to the delivery of the rated product to retailers.

This video is designed for use at national and international trade shows and to promote the special features of Manitoba's vegetable industry relating to potential new markets.

The video won first place in the open professional category under 15 minutes at the West-Man Media Co-operative Awards.

The Food Equation is another example of these consumer-awareness and industry-promotion initiatives that were undertaken. The Food Equation is a one-hour television special on food safety. Manitoba Agriculture and the province's producers designed this television special to address the concerns of urban consumers about food safety.

The production features facts and fallacies about food safety through a series of interviews with experts. People interviewed within this special represent federal and provincial governments, universities and producers. These interviews cover such large areas as pesticide residues on food, growth hormones in meat, food additives and food handling.

The Food Equation special program aired on the Manitoba television network, CKX, and Channel 13, MTN, during early 1994. Since the airing of the program, copies of the video have been requested from Australia, North Dakota, Ottawa and Yorkton. Yorkton and Australia, hmm.

**Budget highlights:** Because of difficult economic times and our province's accumulated debt, our government has struggled to maintain its level of essential health care, educational and social services. Accordingly, the province has had to make some difficult decisions impacting the proposed budgets of departments, including the Department of Agriculture, in the 1994-95 budget. The Manitoba Department of Agriculture 1994-95 budget expenditure represents a balance in serving the needs of Manitoba's farmers and the agrifood industry with a need for fiscal restraint.

The total budgeted expenditure for Manitoba Agriculture in 1994-95 is approximately \$114.9 million. This figure represents a total reduction of approximately \$5.4 million or 4.5 percent from the 1993-94 voted Estimates of \$120.4 million.

Although there is a reduction in our department's budget, we are continuing to maintain our essential front line services to producers. Moreover, during our budget preparation process, we were able to eliminate overhead and duplication as well as to review

options for new delivery mechanisms and management approaches.

The major portion of the overall \$5.4 million decrease is reflected in reduced spending within the National Tripartite programs for Manitoba. These are programs, of course, that have come to an end in the last financial year.

**The Tripartite Hog Stabilization Plan:** The Province of Manitoba is budgeting \$1.7 million towards premium and transitional contributions under the Tripartite Hog Stabilization Plan for a nine-month period. The Tripartite Hog Stabilization Plan will be terminated as of July 2, 1994. However, the transitional assistance will be terminated as of December 31, 1994. The \$1.7-million budgeted expenditure in question represents an approximate reduction of some \$4.7 million when compared to the previous fiscal year. So honourable members will realize that most of the reduction of the overall budget comes from that one program alone.

The Tripartite Cattle Stabilization Plan terminated on December 31, 1993. During 1993-94, approximately \$1.4 million was allocated for premium contributions within this specific program area. Accordingly, the elimination of this plan effectively represents a further \$1.4-million decrease in budgeted expenditures. Under this respective subappropriation, \$150,000 has been allocated in the 1994-95 for transitional assistance towards the cattle industry.

Under the GRIP program, the 1994-95 budgeted expenditures for the Gross Revenue Insurance Plan reflects our government's commitment to support producers under this program beyond its 1995-96 termination schedule.

The Canada-Manitoba Agreement on Agricultural Sustainability is found within the 1994-95 proposed Estimates of Manitoba Agriculture. This new agreement replaces the previous Canada-Manitoba Soil Conservation Agreement. Both of these, of course, address conserving and enhancing our natural resources. However, the new agreement on agricultural sustainability is more comprehensive than the

previous one towards maintaining the quality of agriculture related to land and water.

In conclusion, allow me to introduce the Estimates for the department, 1994-95, and I will look forward to discussing these in more specific detail with members of the committee.

**Mr. Deputy Chairperson:** We thank the minister for those remarks. Does the critic for the opposition party the honourable member for Swan River (Ms. Wowchuk) have some opening remarks?

**Ms. Rosann Wowchuk (Swan River):** Mr. Deputy Chairperson, I thank the minister for those comments and for providing us with a copy of them in writing to follow. I appreciate that very much.

I have a few opening comments to make. However, I do not have them in writing, but they are not as detailed as the minister's. I also want to take this opportunity to again welcome the minister back to the Agriculture portfolio where he has a lot of expertise and look forward to discussing various lines in the Estimates.

As the minister has indicated, agriculture is very important to Manitoba. The benefits of the industry are many times not recognized by people who are outside the agricultural industry. Particularly, people in urban centres do not recognize that the spin-off benefits are of benefit to the urban centres as well. There are many jobs that are created here in the city and in other urban centres that are as a result of the agricultural industry.

In fact, when agriculture took a downturn a few years ago the ramifications were felt in the city, particularly in the construction of farm equipment and those kinds of areas, and that is when people started to realize to some degree that the agriculture industry was very important.

I think that it is very important that we work together to preserve the industry, to enhance it, but also by enhancing the industry, strengthening the family farm and giving people the opportunity to continue to live and work in the rural area, in the fields that they are familiar with, the trades that they are familiar with.

\* (1500)

My concern is that we are losing people who are in the farming industry. When we look at the population numbers in this province, statistics show us that the population in rural areas is going down, and as a result of that the small communities are dying because the spin-off jobs are not there. Also as a result, with a reduced population there is a reduction in services in the rural area and all people in the rural community suffer for it.

So I believe very strongly in the rural community and we have to look at ways of diversifying the economy of the rural area and look at ways that we can get the value-added jobs into the areas. We have for years been shipping the products that we produce off to other areas, out of the country, in a raw state. It is time we looked at ways that we can enhance the rural community and get the value-added jobs from agricultural products as we have to look at other products as well that come from the rural and northern areas to enhance the economy there and allow people to stay in those communities.

Certainly I will be having questions dealing with GRIP and with crop insurance and those areas. There are a few questions I have with the minister as to where the government is going with marketing on the beef and hog operations. The minister has given us some indication, and it is certainly good to hear that the government is looking at how we can begin processing some of those products to a secondary stage before we ship them out of the province.

I am pleased to hear the PMU industry is going well. It is an important industry to our province, particularly in my part of the province, and in the Interlake area in particular, where there is a lot of marginal land. We heard about that from the sustainable development institute where we have to look at ways to use this land rather than trying to grow grain on it, as we have for many years, look at ways where we can have an economy there without disturbing the soil as much as we have in the past.

I have a few questions on the PMU industry and what the government is doing. There are

regulations that are being brought in with the hog industry and cattle industry, and I would like to talk to the minister about some of the things that are happening in the PMU industry when we get to that section of the Estimates.

I am pleased to hear that the costs are going down for farmers, but I guess even with lower interest rates and fuel prices, and the minister indicates that pesticide prices are going down, there is still a tremendous amount of pressure on farm families because the price of their product in all areas is not increasing as rapidly as we would like to see it. So although there is a decrease in those prices, there is still a tremendous amount of pressure on the farming community.

With regard to GATT and NAFTA, the signing of both those agreements, although the minister indicates that there are additional opportunities for farmers to access markets in those areas, there are concerns, particularly with the Free Trade Agreement and the pressures we are under with tariffication and the disputes that we have now, particularly with durum wheat and the Americans not wanting to accept our grain into their country, saying that we are flooding their market and not dealing with that, in my opinion, very fairly. That is another area that we would want to have some discussion on.

Also, I have raised, several times in the House, with the minister, safety net programs and the direction that the government is going in and the whole farm income protection programs, and look to get a little bit more detail on what the government is proposing as far as those programs go.

Certainly the other area that we have to be concerned about is the conservation of our soil and water. Both of those are very important resources that are necessary for the agricultural industry to be viable, but we as farmers also have a responsibility to see that those resources are used wisely, used in a way that they are there for future generations to use, and would hope that—in some of the areas I have some questions I will be asking about regulations on water and on soil

management and what direction the department is going on that.

I appreciate the proposal, the mission and goal to provide opportunities for young and beginning farmers to enter into agriculture. That is very important. Our farming population, the people involved in the industry right now, are at an age where they would like to be thinking about retirement. Many of them cannot afford to retire because they have too much invested in the industry and have no way to get out of it. I think that we have to look at ways for young people, because there are many young people who come from the rural areas who want to go back there—if there was a way and if there were government supports, not necessarily financial supports but supports to borrow money, and if there were some assurances or if they felt that they could make a reasonable living, many of them would return to the family farms. So I think that those are very—that is a good direction to be looking at, how we can get our young people back and what kind of programs we can have in place to ensure that they can make a reasonable living.

I also want to discuss the steps that the government has taken in their Visions for the 1990s. I have not had the opportunity to look at it very closely, but when I look at some of the examples, I believe those are good things that we are doing, looking at ways that we can find markets for our products, looking at ways where we can find value-added jobs and enhance the economy.

I would like to see that taken at a very local level, where we could see some of the value-added jobs. What I am saying is, I would hope there would be a direction taken, that there would be, where there is the opportunity, on a very small scale, if there are small communities that are able to get a few jobs into their communities in fact, that the department would take the initiative to help create jobs in many of the smaller areas. I realize that not every small community is going to get some value-added jobs, but if the department can lend the supports, the research, and where possible, financial assistance through loans or information through research that we can have the

jobs right in the small communities. It will help many, many more people.

The one area that I do have concern about is, as I said earlier, the depopulation of rural Manitoba. I think we have to look seriously at how we are going to help people get back to the rural community, those who want to.

The one area that I am disappointed with is that in these Estimates we do not have any reference made to the rural stress line. It is an issue, I believe, that is very important to rural Manitobans and one supported by a large number of people. People in the rural area recognize that there is a tremendous amount of stress out there. There are many areas that do not have the services that they need. I think we have to look at ways of how we can improve the services for the people in those communities, so they can have access to services, whether it be counselling or other services that could be accessed through the stress line.

That is the one area that I am disappointed in that we have not seen this government move on. At some point in the Estimates when we come to the right line, we can talk a little bit more in detail as to how funds possibly could be found to support that project for rural Manitoba.

When we get into the lines, there are some areas with regard to the Agricultural Crown Lands corporation and the financing of farms, and those areas that I have more specific questions to get into, but with that I will close my opening comments.

Again, I look forward to the debating of the issues and thank the minister for his written statement.

**Mr. Deputy Chairperson:** We thank the member for those opening comments.

Does the critic for the second opposition party have an opening statement?

\* (1510)

**Mr. Neil Gaudry (St. Boniface):** Yes, Mr. Deputy Chairperson.

First, I would like to congratulate the Minister of Agriculture for his second term, I should say, from

years back. I do not know how long ago, but I know it is his second term as minister. [interjection]

**An Honourable Member:** Third year. It is actually a reincarnation.

**Mr. Gaudry:** Reincarnation.

I would also like to thank his staff for being here this afternoon. We will be looking forward to questioning the minister on his various interests during the course of the Estimates. I would also like to thank the previous minister we worked very co-operatively with—and a friend away. I know we will continue doing so with the minister and his staff. We do not know for how long; the elections are coming up within the year, and we will look forward to that also. But I am sure the minister will be there forever, because he has been there for 27 years, and like he says, it is always a reincarnation.

We know that the farming industry is very important to Manitobans and not only to the farmers or rural areas, but the urban centres. I know that because I was raised on a farm, and in the minister's constituency on top of that. So I go back there on a regular basis to—

**An Honourable Member:** That worries me.

**Mr. Gaudry:** It should not.

I know he has been supported by a lot of people up there and good friends, and that does not mean anything because we consider Mr. Enns a very popular man in the constituency of Lakeside and will continue to do so. He has a lot of respect out there.

Like I say, I will be very brief. I will be looking forward to working into the Estimates and questioning on the interests of the farming industry. With this, again, I would like to congratulate the minister for being appointed the Minister of Agriculture. Thank you very much.

**Mr. Deputy Chairperson:** We thank the member for St. Boniface (Mr. Gaudry) for those very well-put-forward words.

Under Manitoba practice, the debate of the Minister's Salary is traditionally the last item considered for the Estimates of a department. Accordingly, we shall defer consideration of this

item and now proceed with consideration of the next line.

At this time, we invite the minister's staff to join us at the table, and we ask that the minister introduce his staff present.

**Mr. Enns:** Mr. Deputy Chairperson, I look forward to these Estimates. I thank the critics of both opposition parties for their opening statements.

Allow me to introduce senior management staff of the Department of Agriculture: Mr. Greg Lacombe, our Deputy Minister; Mr. Les Baseraba, Assistant Deputy Minister of the Management and Regional Agricultural Services Divisions; and Mr. Craig Lee at my immediate left, Assistant Deputy Minister of Policy & Economics division; and Mr. Dave Donaghy, Assistant Deputy Minister of Agricultural Development & Marketing division.

Allow me to also put on the record, Mr. Deputy Chairperson, a very sincere appreciation for the entire staff of the Department of Agriculture. It has been my good fortune to have had an opportunity of in fact being able to visit with many of the staff in the field. Staff in the Department of Agriculture are the kind of staff that on a very regular basis, meet, touch on the lives of many, many Manitobans on an every day basis and often not always under the best of circumstances, as for instance, the cropping conditions that were prevalent in too many parts of the province last September or under other circumstances when, as the member for Swan River (Ms. Wowchuk) has indicated, there are difficult economic situations facing our farming population.

All too often, it is our staff, the Department of Agriculture, who are the people there to try to counsel, try to assist, and it was a very meaningful experience for me to recognize that while at the same time departments like Agriculture and other departments that I have had the privilege of being the minister of have quite frankly faced some of the more difficult budget measures. I say more difficult when placed against the social services departments of the high priorities such as Health and Education.

For the departmental staff to maintain what I certainly felt to be a high degree of morale, willingness to carry out the mandate that the department has over the many years been responsible for in providing services throughout Manitoba was certainly evident. I express the appreciation on behalf of the government of Manitoba, indeed, the people of Manitoba for that continued excellence of service.

So with those few comments to staff, let us begin.

**Ms. Wowchuk:** Mr. Deputy Chairperson, with regard to the section on Executive Support staff, I do not have very many questions in that area because this deals basically with salaries and that part of the—which has very little changes.

I do not have very many questions on that, but I do want to ask a question as far as the Transportation goes. We have seen an increase in that area, and I wonder what that would result in. Is it because this group of people is having to do a lot more travelling into the communities?

I am on the wrong—I do not have the right book with me.

**Mr. Deputy Chairperson:** You are in the right one. This book, page 19.

**Ms. Wowchuk:** I am sorry, I brought the wrong one with me. I am on 1.(b).

**Mr. Deputy Chairperson:** Yes, that is where we are.

**Ms. Wowchuk:** So just if we could have a bit of discussion on that. Is it because the department is travelling a lot more to do outreach work, or what is happening?

**Mr. Enns:** Well, I suppose, Mr. Deputy Chairperson, the member for Swan River, in displaying so early on in these Estimates her skill at just touching the minister right where it is at because—

**Ms. Wowchuk:** I apologize if I was—I was not trying to be facetious.

\* (1520)

**Mr. Enns:** No, no, you will have to become accustomed to me. I am not being swift.

But the fact of the matter is, it is a possibility that the minister has contributed substantially to these additional travelling costs by indeed wanting to and indeed travelling throughout the province in meeting with the various staff people and crown agencies. Our staff has the practice of meeting regionally in the four regions of the department, and I readily confess to having contributed to this increased figure.

I am told that there is no specific—and this, of course, also reflects some of the increased travel that has been occasioned by the trade issues, the safety net issues, some of the activity by the new federal Minister of Agriculture, Mr. Goodale, who has called us on rather short occasions, on one occasion to Ottawa to report back from his GATT discussions and on another occasion to Regina to begin the series of discussions on the safety net program. So those are the explanations for these increases.

**Ms. Wowchuk:** I guess what I was wondering about, just whether this is the area where you would include—I know there have been several trade missions to other areas. Does that come under this area, or does that come out in another area?

**Mr. Enns:** No, my staff advises that this is in fact within the executive management travel only. Those other travel expenditures, which, as the member would appreciate, are considerably higher and more costly, would be found under the Marketing branch of the Estimates.

**Ms. Wowchuk:** I wanted to ask if we can perhaps—I have questions under all of Section 1, and I apologize again because I do not have that book—if I could deal with any questions that I have under Section 1, if that would be possible.

**Mr. Enns:** Mr. Deputy Chairperson, I certainly want to accommodate the members, and I believe that is a more comfortable way of dealing with the Estimates, in dealing with them as the whole appropriation that is under consideration. There will be some occasions when under the advice of staff and to accommodate staff we may be adding a few more extra sections. For instance, if we have our soils and crops expert people here, then we will

deal with all of the soils and crops issues that are in the Estimates simply to use the time of the staff more efficiently when they are here. But I have no problem in dealing with the entire item under the appropriation and then when the members are prepared to pass, simply pass it.

**Ms. Wowchuk:** Thank you very much. I appreciate that, and if the minister would give us an indication when there is staff here that can deal with another section, I have no difficulty with doing that and moving to whichever section we have to move to.

**Mr. Deputy Chairperson:** By leave, the committee will be moving to answer questions globally as per the minister's staff being present then. Is that agreed? [agreed]

**Ms. Wowchuk:** As I look through the Financial and Administrative Services under this section, I understand that it is under this section that we would deal with the auditing of the Gross Revenue Insurance program. Is that correct?

When I look at the annual report, it is under Financial and Administrative Services. Is this the section where we can deal or does that have to wait until we get to the section under GRIP? I am asking for clarification here.

**Mr. Enns:** Mr. Deputy Chairperson, I am easy. We have, fortunately, staff who can respond to that. We have them. This really would come under the—I would suggest that we deal under that whole matter, GRIP, safety programs when we have the Crop Insurance appropriation before us. They are essentially the delivery team of the program.

**Ms. Wowchuk:** The reason I asked whether it should be done now is because when I look at the annual report under the Financial and Administrative, which is 1.(c) in here, it says that the Financial and Administrative Services was the group that dealt with the producer audits. If that is not accurate, then I can wait for another.

**Mr. Enns:** As far as that reference to audit, it refers to an internal audit within the department and not the specific audits relative to the GRIP program that you are referring to, so I would ask

you that we defer those questions to when we deal with the Crop Insurance Corporation.

**Ms. Wowchuk:** I am having a bit of a problem here getting my questions straight. I wanted to ask some questions, then, whether it would be under this area, because I have not seen it anywhere in the book, about the effectiveness of decentralization, whether there has been an analysis of decentralization that has been carried on, if it is under another section, if someone could advise me, please.

**Mr. Enns:** Mr. Deputy Chairperson, I am advised that the overall costs that are directly attributable or can be directly identified with the decentralization program will, in fact, be dealt with specifically in a line item by the Minister of Finance (Mr. Stefanson) in the Department of Finance.

We, of course, have wherever possible, though we have not always succeeded, gone back to Finance with additional costs that were imposed on the department in some of the decentralization moves. I do not know what else I can tell the member at this particular junction.

**Ms. Wowchuk:** Mr. Deputy Chairperson, I want to assure the minister that I am not trying to be difficult. All I was asking for was whether the Department of Agriculture has done an analysis of the branches that have been decentralized and whether there has been any work done on the cost effectiveness, the extra costs. The reason I ask it at this time is because last year when we asked it under decentralization we were referred back to the various departments.

I thought that it would probably come under the administration of the department if there was any work done on any summary or review of the effects of decentralization on the departments.

**Mr. Enns:** Mr. Deputy Chairperson, I suspect that there has been no—you know, it is a difficult thing to assess the cost-benefit analysis. It was a governmental, political decision if you like, to commit towards the decentralizing of the public service sector, and in a very specified and specific way, essentially the program has been completed and carried out. Some over 600 Manitoba public

servants have been relocated into different parts of rural Manitoba.

The member will recall there was specific money set aside for that purpose by Finance. I can tell her from my own experience, not so much in this department but from the Department of Natural Resources, which I previously had the privilege of being the minister of and was more directly involved at the actual time of some of the decentralization that impacted on that department, that in all too many cases it was kind of a shared responsibility. We did access some of those monies from Finance that were set aside specifically for that, but all too often the department was left picking up a share of the expenses.

I would perhaps ask the department—as I understand our Estimates likely may be interrupted. We are not, at this stage, confirmed that we will be carrying on with the department's Estimates on Monday. We may well find ourselves with a one or two day hiatus while they resume the Estimates of Education, which were not concluded yesterday. So perhaps I can leave this subject matter and ask senior management, having heard the question, if they can in fact provide a summary from the information that we do have that would give the committee some indication of the additional costs, out of the ordinary costs, that we can identify as being above and beyond the normal operating range or building cost range that could be attributable by the Department of Agriculture for the decentralization moves incurred by it.

**Ms. Wowchuk:** I would appreciate that information. I guess as we look at the program I think it is good to bring services closer to those people who need them, but I think it is also important to evaluate any program that takes place. I look at, in particular, and I am sure the department must monitor, whether there be increased travelling costs as a result of decentralization, whether there is an increase in telephone costs because there is need for more communication.

I think that it is important in each area where there has been decentralization that this be

monitored because at some point there could be plans to further decentralize departments. I think that there should be an analysis done of it, and if it is possible to get some of that information, then I would appreciate getting it.

\* (1530)

**Mr. Enns:** I will undertake to provide that.

**Ms. Wowchuk:** I want to just move onto another area; that is, the soil and water accord is winding down, and we are moving into another program. I want to ask the minister at what stage, how far we are into the wind-up and where we are with the replacement program, and what activities are taking place in that area?

**Mr. Enns:** Again, Mr. Deputy Chairperson, I appreciate the member's—she sees the item in this section correctly, that it is winding down, but it is being replaced, as I believe I indicated in my opening notes, by a different, more comprehensive program, a sustainable development program, that will come under Appropriation 7 in the regular Estimates, that perhaps we could supply the member, and that will be the opportunity when we have the director of Soils and Crops, Dr. Barry Todd, with us that we can specifically ask on those questions, on those issues.

**Mr. Gaudry:** What are doing at this stage? Are we going from one—

**Mr. Deputy Chairperson:** Just to advise the honourable member, we had agreed that we would do one appropriation at a time. Right now, we will be dealing with 3.1, and we can deal in its entirety of 3.1, which is Administration and Finance.

**Mr. Gaudry:** We will do one at a time. It will be a lot easier, because then you can bring in the staff.

In the grants and transfer payments of \$16,200, where do those grants go?

**Mr. Enns:** I am advised that this is the appropriation for which we provide the appropriate funds to support national meetings, national conventions, organizations that hold national meetings and conventions. These would be pertaining to, generally speaking, agricultural matters that are hosted in the city of Winnipeg or some place in Brandon and by custom, by

tradition, they ask the Department of Agriculture to support them in their hospitality requirements.

I can, for the record, indicate all of the organizations that we supported in this manner. The Flax Growers of Western Canada received a \$500 grant; the Agricultural Institute of Canada, a \$5,000 grant; Canadian Association of Diploma Agriculture Programs, \$350; the Canada Grains Council, which held a very significant meeting and conference on the grain questions here in the city, \$2,500; Expert Committee on Weeds, \$1,000; the Manitoba Charolais Association, \$500; the Manitoba-Saskatchewan Blonde d'Aquitaine Association, \$1,700. That was in '92-93.

In '93-94, again, we have the Canada Grains Council, which I take it is an annual meeting for \$1,500; Canada Grains Commission for \$1,875; Canadian Shorthorn Association for \$750; the Canola Council of Canada for \$1,300; the Manitoba Livestock Performance Testing Board Inc., \$900; the National Chinchilla Breeders association, \$500. So these are organizations that the department has over the past supported in their hospitality activities.

**Mr. Gaudry:** In the total Salaries and Employee Benefits, there has been a reduction and there has been no reduction in staff. Is that attributed to Bill 22, the Filmon Fridays, like they are called?

**Mr. Enns:** Could the member help us and my staff by specifically pointing—

**Mr. Gaudry:** Page 19.

**Mr. Enns:** Of the Supplementary Information book, page 19.

**Mr. Gaudry:** It shows \$422,000 Estimates, a decrease in '93-94 to \$413,000.

**Mr. Enns:** That is an increase.

**Mr. Gaudry:** The increase, then, is just a natural increment.

**Mr. Enns:** This is the net result of any salary adjustments, severance payouts and/or merit adjustments, and I would suggest that the increase here has a combination of both, some severance payouts as well as merit adjustments.

**Mr. Gaudry:** I know the member for Swan River (Ms. Wowchuk) asked about decentralization.

Was there any decentralization in the Department of Agriculture in the past year?

**Mr. Enns:** I am advised that there were two further additions: one to the Manitoba Crop Insurance Corporation at Portage, and one to other crown agency, MACC, the Manitoba Agricultural Credit Corporation; but in essence the decentralization programs that affected this department had been carried out in the previous year.

**Mr. Gaudry:** The increase in Transportation is strictly—I imagine that it is for the \$5,000—is for the executive directing, going out to rural areas?

**Mr. Enns:** Mr. Deputy Chairperson, this is the same question that the member for Swan River (Ms. Wowchuk) asked, that it is particularly and specifically accounted for because of the increased activity resulting from discussions having to do with the trade issue and the safety programs that called upon myself and senior members of staff to travel to Ottawa and to Regina to attend meetings of agricultural ministers along with the federal minister as well.

**Mr. Gaudry:** The amount of \$75,000 represents Policy Studies. What policy studies does that include?

**Mr. Enns:** Mr. Deputy Chairperson, I am advised by staff that we have, in fact, no specific policy studies currently identified for this year, but we do have, as I have made public, the responsibility of hosting the national agricultural ministers' conference in July of this year. Staff has identified some of these dollars to help defray some of the expenses that will be associated with that responsibility.

**Ms. Wowchuk:** Just on the question of policy studies, I assumed that that was going to be money that would be used in developing the new safety net programs or developing those kinds of policies. Is that also where people are working on that, or is that again under a different appropriation, because I would imagine that there would be a tremendous amount of work that is being put in to develop those new programs?

\* (1540)

**Mr. Enns:** I think, in trying to be as accurate as possible, that it would not be unreasonable to suggest that inasmuch as a great deal of the preparatory work for that conference and indeed the conference time itself, as far as the minister's time will be involved, is on the issues that the honourable member refers to, the development and the discussions of the future of the safety net programs.

I am also advised that although we have not to date, but if we were to use the services of outside consultants for some specific work, it would be coming out of this kind of fund. It would be related to the kind of research and policy papers that senior staff and the minister will have to have in preparation for the July conference.

**Mr. Deputy Chairperson:** Item 1.(b)(1) Salaries and Employee Benefits \$422,400-pass; (2) Other Expenditures \$68,700-pass; (3) Policy Studies \$71,200-pass.

1.(c) Financial and Administrative Services (1) Salaries and Employee Benefits \$868,100—pass; (2) Other Expenditures \$390,400—pass.

1.(d) Computer Services (1) Salaries and Employee Benefits \$296,200—pass; (2) Other Expenditures \$49,100—pass.

1.(e) Human Resource Management Services (1) Salaries and Employee Benefits \$230,100—pass; (2) Other Expenditures \$38,400—pass.

1.(f) Less: Recoverable from Other Appropriations 3.5—no, we do not pass that one.

2. Manitoba Crop Insurance Corporation (a) Administration \$4,729,800.

**Ms. Wowchuk:** Mr. Deputy Chairperson, with regard to the Manitoba Crop Insurance Corporation, last year there was a review of the corporation and there were several suggestions made on how the corporation could be improved. I believe a few of the recommendations were implemented, but there were many recommendations that were made to improve the Crop Insurance Corporation that have not been implemented.

Can the minister tell us what the status of that report is and what plans there are to make further changes in the Crop Insurance Corporation?

**Mr. Enns:** Mr. Deputy Chairperson, allow me to introduce the General Manager of the Manitoba Crop Insurance Corporation, Mr. Brian Manning, who is I believe the first time around us as manager—[interjection] Second? Second set of Estimates; and Mr. Neil Hamilton, Director of Research.

Specifically to the question that the member for Swan River poses, there has been a great deal of review and consultation taking place within the corporation and with the client groups. They have—and I commend the corporation for that—held numerous meetings in different parts of the province which the member would be aware of. There were some very specific issues that needed addressing.

The first of these was in November of 1991. The Province of Manitoba conducted the first major review of Manitoba's crop insurance system in 10 years. A committee of 10 members was selected to focus effectiveness on the all-risk crop insurance program. This review committee was released in January of '93 in this year passed, and with it tabling some 125 recommendations for consideration.

To give you some indication of the fact that the report is just not gathering dust, action taken to date: 65 percent of the recommendations or 81 of the actual recommendations have been implemented in full, partly implemented or are being implemented as we speak; 15 percent of the recommendations are being further researched; 20 percent do not apply to crop insurance. They are various add-ons or ad hoc programs and commend themselves to further review and other recommendations.

This has been an ongoing activity on the part of the corporation. It has been a busy year for the corporation, and again let me—I should not be doing this in the sense that I have too much respect for all the staff, as I indicated earlier, but again honourable members will appreciate that this corporation that has the owners responsibility of

assessing crop damage, the conditions of harvest, particularly in the Red River Valley, but not exclusive to the Red River Valley, were perhaps some of the most difficult ones that we have experience for a long, long time in the province of Manitoba, and yet it was understood by myself that perhaps at no time did—it was more critical that the insurance or the organization do not get bogged down, that the turnaround time to flow money back into the hands of the hard-pressed farmers was even more important in a year of the kind that we had. So it was a great deal to ask of the corporation.

Members might recall that we did ask for additional help, and it was provided in an expeditious manner by our sister Province of Saskatchewan which enabled us to have experienced people whom we utilized.

I had the opportunity of thanking Premier Romanow just again in Gimli last week for that assistance. I had earlier opportunities of speaking and thanking the Minister of Agriculture for Saskatchewan more directly.

I do acknowledge the tremendous effort that Crop Insurance staff made in servicing a record amount of payout, third highest claim load in the crop insurance history, and as I say, under very adverse conditions because not only was it the kind of normal claim-out, as committee members will appreciate, we had this whole question of what was it that our producers were being asked to harvest? Was it saleable? What extent of contamination?

The fusarium, more commonly known as tombstone, was in the product that on the one hand our regulations under Crop Insurance demanded that they make every attempt to harvest, but other official agencies within the grain industry, such as the Grain Commission or the Wheat Board will not be able to, in their earlier stages, put any price on the product.

All the while this was happening under very difficult physical harvesting conditions which saw farmers in some instances literally breaking up their equipment or doing severe damage to their

land base as well, to their soil, in their efforts to make that harvest.

So I put those few comments on the record. I think the corporation acted in an exemplary manner in dealing with this situation in this past year.

**Ms. Wowchuk:** I realize and I recognize that last year was a very difficult year particularly more so in southern Manitoba than in northern Manitoba. I know that the corporation, in speaking to farmers of the area, the people who were doing the inspections, did work very quickly and tried to process them even under the difficult situations that were there.

The minister has addressed a couple of questions that I have. One of them is the extra help that was brought in from Saskatchewan. If we could indicate the number of people who were brought in and at what cost was that? Is there a specific number that can be tied to the cost of that?

\* (1550)

**Mr. Enns:** I have specific numbers for the committee members. They were thus: Some 48 Saskatchewan adjusters were brought in to assist. These adjusters were already trained in adjusting procedure and were able to adjust immediately. Crews were set up to ensure uniform and cost-effective adjusting. Some 45 additional Manitoba adjusters were hired and trained to adjust. In addition to that, 15 Manitoba Department of Agriculture staff were also required to assist in the adjusting.

The Department of Agriculture staff has, not just in this instance but in a number of instances, shown a great deal of flexibility in lending itself to pitching in where they are needed. It was largely secondment of the Department of Agriculture staff that allowed us to introduce the GRIP program, for instance, without having to go to additional or outside staff. In total an excess of 25,000 claims were adjusted.

I can indicate some cost figures, the '93-94 budget figures. The total adjusting budget for the year was \$1,695,955. In '93-94, we had approved this committee, this legislature in the budget

process, \$1.6 million. The actual expenditures were just about double, \$3,199,300.

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

**Ms. Wowchuk:** Mr. Acting Deputy Chairperson, that is a tremendous amount of money that had to be paid out, but you had indicated that there were 45 additional Manitobans who were hired as adjusters. Were those people just hired as temporary staff, or have they been trained, and are they now able to do adjusting in other areas of the province, or were they just trained for that short period of time?

**Mr. Enns:** Mr. Acting Deputy Chairperson, advise the committee that a very substantial number of the staff from the Crop Insurance Corporation are what you could call temporary. I had the opportunity of meeting a good number of them at a meeting in the late fall at Portage la Prairie, where they bring them in occasionally for further training sessions, something like that. A good portion, up to 200, I believe, 150, 200 I am advised by the general manager, are staff people who fall into this category.

**Ms. Wowchuk:** Just on that temporary staff, it was my understanding that there were some changes to their contract in how they were being paid. I think you were working through that last fall. I wonder whether that has been worked through and whether all of those negotiations have been completed.

**Mr. Enns:** I can advise the committee that the negotiations are ongoing and have been ongoing since April of '93. In total, some 46 articles of the collective agreement are in fact being negotiated. I am advised that some 25 remain, with the vast majority being monetary issues that will be dealt with collectively in April and May of '94. It is expected that a settlement will be reached by June 30 of '94. So the negotiations are still ongoing. A settlement is expected at the end of June.

**Ms. Wowchuk:** In the last agreement, or I am not sure if it is in this agreement, there were changes being made on travel time and how much time the adjusters would be paid, whether they would be paid when they were just onsite, or whether they

would be paid from the time they left the office. Has that been negotiated, or is that still being worked out?

**Mr. Enns:** I am advised that, as the member would suspect, particularly these kinds of issues that of course impact monetarily on the status of the employee are among the last to be negotiated. I suspect that there is a direction from the corporation to review any and all expenditures, particularly those that are related to the loosely categorized other expenses, travel and so forth. It would not surprise me if there have been some positions being put forward by the corporation that perhaps are not as generous as the ones that had been in place. I suspect that is one of the reasons for the protracted negotiations.

**Ms. Wowchuk:** Since these negotiations began in April of '93, and the corporation was in negotiation last fall when we had a tremendous amount of work that had to be done, did that have anything to do with bringing in the extra people from Saskatchewan because of problems with negotiations? Is there any connection, or is it just that we needed extra people in here to do the work?

**Mr. Enns:** Mr. Acting Deputy Chairperson, I appreciate the question that the member for Swan River poses. I have seen no evidence that the fact there was an unsettled labour situation facing the corporation and all its competent staff at that time, that that in any way impacted or affected their delivery of service under those pretty difficult and trying circumstances.

I am advised that it was as much, if you like, the pressure from the minister's office. I do not think it was pressure, but I certainly made it known that I did not want to add further to the frustrations of the difficult harvest year by having the corporation be backlogged just with the sheer amount of work that they had to do. It was a decision that was concurred in by cabinet to take advantage of the opportunities that existed in our neighbouring province.

Management was afforded additional funds to do this, because we simply wanted to ensure that the turnaround time from claim to payment would be as short as possible and certainly not set further

behind. I see others shaking their heads, but I think that in the main that objective was accomplished. It was accomplished, firstly, with the kind of a very, very super effort that the staff put in, assisted by these additional persons from Saskatchewan and from Manitoba, the additional 45 that we spoke of earlier.

**Ms. Wowchuk:** Mr. Acting Deputy Chairperson, the minister indicated that there were some 25,000 crop insurance claims that were made. I know that in some areas it was a tremendous amount of crop that was not able to be harvested, that some of the crops had to stay out over winter.

I wonder how many of those claims are still in the process of being completed because of that.

\* (1600)

**Mr. Enns:** I am advised that we had some 1,423 over-winter crops, as we call them, to be looked at, and there are to date some 500 to 600 that remain to be processed.

**Ms. Wowchuk:** As the minister indicated, one of the problems that occurred last fall was the amount of tombstone disease that was in many of the crops, and farmers were very concerned about harvesting those crops because there was not a market for them.

Was the end result that many of those crops had to be burnt or destroyed because they were so badly infested, or were the majority of them able to be harvested?

**Mr. Enns:** Mr. Acting Deputy Chairperson, I had recently the opportunity of having conversations with people like Charlie Swanson from Manitoba Pool Elevators association, a visit from the chairman and several members of the Canadian Grain Commission in my office. From our own figures we are quite frankly surprised at the amount of this tainted, if you like, grain that moved and moved at relatively good prices in the final analysis. The protein content was high. What probably made that movement even more vigorous was the fact that the practices across the line are somewhat different in terms of their claims adjustment. There was, in fact, much more crop burnt on the American side of the border which, to some extent, created a market demand for our

product which got the Montana and Dakota farmers so mad when they saw our trucks hauling our grain into their elevators.

To try to conclude the answer, we can say with some degree of satisfaction that a significant amount of the grain was moved. I appreciate that there may well be individual situations. It took a fair bit of initiative on the part of the individual producer to move that grain. He had to go out and sell it and market it.

I want to acknowledge the co-operation of the Canadian Wheat Board. They, in effect, made every effort to expedite and facilitate the movement of this grain. It is technically—well, not technically but legally—required to move it under an export permit. I am not going to suggest to this committee that every bushel of grain was moved under an export permit, but I am also aware that the Wheat Board made every effort to make these permits available to the primary producers, and a great deal of grain was moved.

I can further indicate to the members that I again asked specifically members of the Crop Insurance Corporation to do some monitoring of the amount of movement of grain at various border crossing points, and again they report that they were quite significant. I do not know how; I think one would have to wait for the kind of figures that come out of the Canadian Wheat Board and the whole grain handling system at the end of a crop year to come to some more definitive and reliable figure as to actual bushels or tonnage of grain moved.

**Ms. Wowchuk:** The minister indicated different standards across the line that resulted in a larger number of acres or more of the grain having to be burned across the line. Can I just have a bit of a clarification on that? What is the difference of standards? Is it the percentage of disease in the States versus the standard we have in Manitoba? Is there a standard here where it is infested to a certain level where it cannot be harvested and would have to be burned? What is the comparison between North Dakota and Manitoba?

**Mr. Enns:** Mr. Acting Deputy Chairperson, I obviously am not competent to specifically indicate to you what the practice is on the

American side of the border. That has to do with differences in the grading and particularly the classification of the grains and the protein counts which tend to, in their case, provide for greater capacity to have them labelled under the feed grain varieties.

I am on thin ice on this one. I am looking for the member for St. Boniface (Mr. Gaudry), who normally is a friend to throw me out a life line right about now.

**Ms. Wowchuk:** What I was trying to ask is, was there a certain level of disease, of tombstone disease, where the crop would be written off, where it was too heavily infested that it could not be harvested? That is what I am looking for. Is there a standard that the Crop Insurance adjusters would look at, where they would say, this crop has too much disease in it, and it cannot be harvested? If there is that standard, was there a lot of that around, or was the decision then left to the farmer, where he had to decide whether he wanted to take the chance and harvest the grain? How was that decision made?

**Mr. Enns:** I am not sure. As I say, I am just not sure of my facts in this case. It has more to do—I am advised it also has to do with their insurance program, which, of course, is a different insurance program than our insurance program, the Americans' insurance program.

**Ms. Wowchuk:** I am not talking about the Americans now; I am talking about ours. I am talking about how our crop adjusters dealt with it, nothing to do with the Americans.

**Mr. Enns:** Oh, we applied the same rules. That was some of the pressures. We told the farmer he had to harvest, and the farmer came back and phoned me up and said, why should I harvest something if the Wheat Board is not prepared to put a price on it? So then we had to meet and put pressure on the Wheat Board, the grain commissioners actually who do the grading, who said, okay. Then, if you recall, somewhere we pushed them as quickly as we could, and they did come up with a specific percentage figure of 15 percent for wheat, that is, infection of wheat, for which the farmer was given permission to destroy.

Then, in graded increments below that, they issued a temporary pricing formula, which gave the producer a chance to make a management decision on home.

If he had grain that sampled at 8 percent or at 9 percent, and he looked at what that was being evaluated at, and I have the figures here, at \$38 a tonne or \$1.03 a bushel, he made the management decision then whether or not he would be prepared to take it off or try to take it off for that price. The insurance adjusters had a bench level to get on with the adjusting of their claim based on these kinds of prices—that graduation. These were the first increment payment market prices and made very clear that these were pretty arbitrarily established.

They started at anything below 5 percent remained in the feed category, I understand. Anything over 5 percent is where the difficulty began. So, when 5 percent was an interim payment of \$1.20 a bushel, \$44 a tonne, and that went all the way up to 14 percent, or down to between 14 percent and 15 percent at \$26 a tonne, then at 15 percent or over it was agreed to write it off.

\* (1610)

**Ms. Wowchuk:** Mr. Acting Deputy Chairperson, that was what I was looking for. I was not looking for a comparison to the States. I was looking for where the farmer then had to make the decision whether he would burn or make the effort to harvest it.

On to a more general area in crop insurance, I want to ask for some comparisons as to what is happening with crop insurance, whether there is a change in the number of farmers who are participating in crop insurance, whether we are seeing an increase, whether farmers are continuing to use the program, or whether there is a move away from crop insurance.

**Mr. Enns:** Mr. Acting Deputy Chairperson, I can report to you that there has been a slight reduction from the 1992 year to '93. In 1992, for instance, we had some 12,170 contracts, individual contracts. In the year '93, for which we have the last records, it slips to 11,369 individual contracts. The acreage has not changed all that much. It slips from, I

assume, that 5,900,000 acres in '92 to 5,800,000 acres in '93.

The member should be aware, of course, that the income insurance program is tacked on top of the crop insurance program. While I suspect the majority of contract holders held both, that is not necessarily the case. There were individuals who carried one or the other and did not carry them both.

**Ms. Wowchuk:** The minister pre-empted my next question. That was what I wanted to ask, if there is a comparison of the number of people who participate in the Gross Revenue Insurance program, but choose not to take crop insurance.

Are there a large number of people who do that?

**Mr. Enns:** I am advised by staff that it would be approximately some 2,000 out of the 12,000 contract holders who elected to take the GRIP coverage only.

**Ms. Wowchuk:** Is there any pattern, is there any particular area of the province that has chosen to opt for the Gross Revenue Insurance program, but not take the crop insurance?

**Mr. Enns:** I am advised, Mr. Acting Deputy Chairperson, that probably in some of the outlying areas like in the Interlake where our crop insurance participation is low or considerably low that there is a higher percentage of individuals taking the GRIP program only.

**Ms. Wowchuk:** Would the same occur in The Pas region where there have been problems with coverage on crop insurance?

**Mr. Enns:** Mr. Acting Deputy Chairperson, staff advise that they would be more than prepared to provide that information. They do not have any specific information here that would indicate that that region is out of the norm for other parts of the province. I will ask staff to make a note of that and perhaps have a specific look at The Pas region in this regard.

(Mr. Deputy Chairperson in the Chair)

**Ms. Wowchuk:** Thank you. I would appreciate that, just a general comparison if there are regions of the province that traditionally have not been participating in crop insurance up to this time and

then have decided to take out the GRIP coverage. I would just like to see a comparison of that if there are regions of the province that do not participate in crop insurance, what the reasons could be. Could it be because the coverages are not high enough in those specific areas or are there other reasons that they are not participating, whether it be weather patterns that have put the averages down so low that it is not adequate for them? If we could have some of that information.

**Mr. Enns:** Mr. Deputy Chairperson, the GRIP income insurance program I am advised covers 76 percent of the acreage, whereas the crop insurance covers 66 percent of the acreage. I do not know if that information is useful to the honourable member, but it does give an indication that there is that 10 percent additional that are enrolled in the GRIP program. I think it is a concern to us and staff. That is one of the reasons why we have to look at the future as the GRIP program becomes, quite frankly, less of an income enhancement program and more of an insurance program. You know, individual producers will look at it in that light.

I still have a strong feeling, and I challenge the corporation from time to time, that the basic crop insurance that is provided by the corporation is and should be and has been a fundamental building block of a support program as far as the grain industry and other crops that they now insure are implied. Certainly, I appreciate and enjoy engaging the intellect of the likes of one Mr. Neil Hamilton or Mr. Brian Manning and others in the corporation to challenge them to how we can enhance the crop insurance program so that the participation rate is higher.

I do not know what it is about farmers. Maybe the former Minister of Agriculture, from that southwest part of the province, can tell me. Why is it that the farmer who is quite willing to buy insurance on his house, year after year after year, and not expect the house to burn down and collect insurance on it, but when he pays crop insurance, if he does not claim the next year, he does not want it anymore?

We have to do something that overcomes that attitude, because I think that we are going to find—you know, we have committed ourselves to carrying on with the GRIP program and we are, but I understand that the benefits under that program are coming down. It will become more of an insurance program, and I suspect that we will see that 76 participation rate come down as well.

\* (1620)

**Ms. Wowchuk:** Just on some of these, the minister indicated that staff had done several meetings around the province just recently with regard to crop insurance. I want to ask what the participation was at those meetings, whether there was good participation. What were the concerns that people raised? Was there a lot of dissatisfaction with the program, or what was the gist of those meetings?

**Mr. Enns:** Mr. Deputy Chairperson, staff advise that we had four meetings during that very cold month of January. Nonetheless, people in the numbers of 200 attended these meetings. Generally speaking, and it was so reported in the farm media, their meetings were positive.

There are always specific mechanics in the way the program is delivered that are being questioned. We have some particular areas I am not hesitant to mention. There has been an ongoing kind of difficulty in the Red River Valley and in Crop District 12 that feels that they have a legitimate grievance with the corporation. I am advised in fact that they have, or are indicating that they potentially may be taking some court action to try to resolve it. I regret that.

I know that the senior management of the corporation, along with the chair of the board of directors, have made numerous efforts and had numerous meetings with the principals involved. The member will appreciate that that it is not that easy to adjust, you know, one crop section or division without impacting premium payers of all subscribers to crop insurance if you are going to make adjustments that are advantageous to one group. So these are some of the kinds of things that no doubt occupied the meetings, and I think the Crop Insurance, as any organization, needs to be

confronted by its clients on a fairly regular basis. There are simple housekeeping things, administrative things that individual clients and farmers bring to the attention of the management.

There is, and I hear it from time to time directly in the minister's office, this feeling that there is still too much paper floating around in the system of how we administer the program. So these are kind of constant management challenges that I am satisfied—you know, we will not correct them all but we have in the person of Mr. Manning a young and energetic general manager who understands the system, worked in the system in the corporation prior to his elevation to this position of responsibility. I am satisfied that we are moving in the right direction. We are planning for additional meetings in the coming year, and so this is not just a one-shot kind of effort. I think in today's circumstances and in our effort to seek continual modifications and improvements—and of course our cropping patterns are changing in the province, new crops, different crops, different soil management styles are being adopted. So it is important that the corporation seeks out and reaches out with their customer-clients on a fairly continual basis.

**Ms. Wowchuk:** The minister had indicated, I believe, that about 66 percent of the crop in Manitoba is now covered by crop insurance, and I guess I would like to ask what—of course, probably we would like to see 100 percent of it insured—is the goal of the corporation as to the level they would like to see that raised to? Are these public meetings, and I am not being critical of the public meetings. I think it is a very good idea to get out there and hear what the public is saying and meet them on their own turf, so to speak, and hear what their concerns are. I think it is a good idea to go out there, but is this also a bit of a promotion to try to get more people to recognize the value of carrying insurance on their crop and perhaps encourage more people to participate in the program?

**Mr. Enns:** Well, I think it is a bit of both, Mr. Deputy Chairperson, and I would certainly concur with the honourable member for Swan River that it would be, I think, beneficial if we had greater and

higher participation levels. Whether or not it has to be 100 percent—I suppose there will always be some individuals who feel they are prepared to so manage their businesses that they do not wish to be involved.

I think the member asked for a goal. Certainly we would be much happier if we were covering 75 to 80 percent of the cultivated acreages in terms of, you know, having an actuarial, sound, well-represented program of insurance to offer. I would dare to say, and I say this with some concern because it reflects on the politicians of the day and the governments of the day, that in some instances, perhaps, have been too quick to throw in, you know, ad hoc programs or companion programs of some kind, and the farmer has built a bit of reliance on it. He knows that, well, if things really go to hell in a hand basket, somebody, a minister of Agriculture in Canada, in Ottawa, the farmers will get together with their tractors in Regina somewhere or drive around our Legislative Building as they did and pressure the politicians of the day to come up with an ad hoc program. In my opinion, that detracts from the kind of participation that should be and what I consider to be our major building block in terms of support program, which is our basic crop insurance program.

Maybe our crop insurance program needs to be—and I challenge the corporation—maybe we have to enhance it somewhat, make it more acceptable. Why are we not at the 75 or 80 percent level? I think that is a legitimate challenge for a minister to throw out to the corporation, and I do it in a constructive way and I think the corporation sees that there is support from that, not in a nonpartisan way from both sides of the House. I would ask that the corporation be encouraged by these expressions to go out into the field and get those extra 15 or 20 percent.

**Ms. Wowchuk:** Mr. Deputy Chairperson, I want to ask a few questions about the Gross Revenue Insurance program, which is also carried out by the Manitoba Crop Insurance Corporation. I do not know—I am going back now—whether additional staff were brought in to carry out the administration of the Gross Revenue Insurance

program, or is all the work being done by existing staff?

**Mr. Enns:** I am advised by my deputy that we in effect seconded upwards to some 30 staff SMY positions from throughout the Department of Agriculture and moved them specifically into the direct management of the Crop Insurance team to help with the implementation of the GRIP program.

Now, that is—the workload has been reducing and, in fact, those figures show up in our Estimates here as a rising cost to us as they come back onto the payroll of the Department of Agriculture, but some 30, I believe, equivalent of 30. We had different ag reps and other people doing, but in the way only us government people can divide up people, staff man years, a third here, it amounts to the equivalency of some 30 positions.

\* (1630)

**Ms. Wowchuk:** They were just people who were moved in and out of the department as they were needed and then they were moved back and then adjusted that way, but there is not another layer of staff that has been put in place to carry through the responsibilities of the GRIP program.

**Mr. Enns:** I do not believe I can say that with the same confidence with respect to at the federal level. I think, and again, I compliment the entire shop, that this was a major multimillion dollar program, and quite frankly, a fairly complicated program that was being introduced. It was done with the resources available to the department and done well.

**Ms. Wowchuk:** The GRIP, I want to say GRIP program, Gross Revenue Insurance program has been extended. There are people, although not very many of them that I know, who have expressed concern about the extending of the program. The majority of the people whom I have talked to are pleased that the program has been extended, because they look at it as income support and they appreciate that it is being extended. However, there are those people who have a concern that the program is being extended basically because the program is supposed to be revenue neutral, and if it was not extended, the

premiums would have had to go up tremendously in order to make the program actuarially sound.

Is this accurate? If the program had not been extended, would we have seen a tremendous increase in premiums that would have had to be paid before the program ended?

**Mr. Enns:** No, Mr. Deputy Chairperson, the member can be assured that the—[interjection] Not projections, we were dealing with actual figures that we had to recover. Had we not extended the program in the last two years of the program, which were quite specific, it would have meant, to recover our share, the provincial share—there is a cost-sharing there with the federal government, of course—just our share would have brought about upwards to 50 percent increases in the premiums charged to the farmer.

The member would appreciate that was, quite frankly, not acceptable to me and indeed to the corporation. I am pleased that I was able to persuade cabinet and my colleagues to drop the sunset or termination clause. We were, I point out for the member's information, somewhat unique in the different provinces. We were, I believe, the only province that had a termination clause as we entered the GRIP program with the federal government.

There were conditions in the agreement which enabled jurisdictions to withdraw as, in fact, Saskatchewan exercised those provisions. But we had a specific and somewhat unique clause in our agreement, partly because of the concern of the government of that time that we wanted to know in a specific way what was the commitment. It was to be a five-year commitment and no more, but one could not forecast the very difficult and heavy draw on the program that we experienced last year. I am advised that upwards of some \$265 million was paid out in the GRIP program alone, and you add to that the millions of crop insurance, the \$105 million paid out by the Crop Insurance Corporation.

That, by the way, is where we run into some of the difficulty, when I keep maintaining, and the honourable member will recall and may even commiserate with me that I was barely 10 days

into the job when I was speaking to a delegation of the Manitoba Pool organization. I was given these kinds of projections and figures that it is along with these kinds of very significant, substantial support that, I hasten to point out, is not simply government support. There is a hefty producer premium involved here as well, but it is, in effect, when you add these upwards to \$300 million of support to the '93 year that makes the net income for the province for the agricultural sector look not that bad, in fact, that it shows an increase. When I ill-advisedly made that point at the Pool convention, I was promptly told that I must be coming from another planet. I certainly was not aware of the difficult situations that some of the farmers in Manitoba were facing, but those are the circumstances.

**Ms. Wowchuk:** So then what I had been saying is accurate. Part of it is that the premiums would have gone so high that it would have been—farmers would have been very upset with what they had to pay back in the next two years had the program not been extended.

**Mr. Enns:** Mr. Deputy Chairperson, I think the member is correct. I think there was a danger there that we would have had an outright flight of persons who would try to break or get out of the contract had we imposed those kinds of premium increases on the farming community. As it is, premiums did go up, not to that extent, but certainly upwards to the range of 10 or 15 percent.

**Ms. Wowchuk:** Mr. Deputy Chairperson, I want to ask the premier, were there any ramifications in extending the clause, any funds that had to be paid back to the federal government? Was there anything tied to the agreement that had to go back? Because the program was supposed to be actuarially sound in five years, was there any commitment to the federal government that the province is now responsible for getting that money back to the federal government?

**Mr. Enns:** I am advised that what we effected has put ourselves on the same footing with the other jurisdictions, with the exception of Saskatchewan who has opted to end the program, but the sharing formula of who is responsible for any residue

deficit that there may be in the fund at its conclusion remains the same.

It was, of course, also in Ottawa's interest, quite frankly, for us not to face wrapping up the GRIP fund as previously determined, had we had the determination clause stay in place, because we would not have had—one hopes, hope beats eternal in this optimistic breast of mine, that we will have some normal years, the sun will shine and the birds will sing, and we will leave tombstones in those places where they belong, in our graveyards where we can properly review them and not sprinkle through the grain fields of Manitoba, and that under those conditions, we will make substantial inroads into the deficit position that the fund is now in. That will credit both the Manitoba government in terms of its responsibility. It will benefit the Canadian government as well, participates 65-30; 65-35, basis with the federals taking the 65.

I might indicate just how serious that is that the deficit now stands at \$175 million, and the member is quite correct when she says that there is a clause in the program that it terminate on a revenue-neutral basis. The option was to try to collect those kinds of dollars in two premium years was really quite unacceptable.

**Ms. Wowchuk:** The farmers or producers have the option to opt out of the program by giving two years notice. Is that accurate?

**Mr. Enns:** I am advised it is three years.

\* (1640)

**Ms. Wowchuk:** I guess I am looking at this extension and I am wondering what the implications are here. Do you anticipate that there will be more people dropping out of the program, or will it be only those people who have given notice already who will have the opportunity to opt out? I wonder whether there is an opportunity for farmers to get out of this agreement and leave the government holding the bag, so to speak, on some of these costs.

**Mr. Enns:** I am advised that does not appear to be the case. Some 300 have given notice since the program started. That, over a 12,000 or 13,000-plus figure, is not all that bad. I suspect

where we are standing now, if we do in fact have a three-year run of again more normal applications, and the benefit, there is that, it is coming down; the exposure to risk is becoming more neutral. We were starting at a point where the grain prices were down at their lowest and we were trying to target specific income levels of \$4, \$4.15, or something like that per bushel on, say, wheat, which are now all coming down. So we think that in the three-year period, if all goes reasonably well that the farmer, the governments, will be in a manageable situation.

**Ms. Wowchuk:** Another area that would cost the program funds is if farmers retire, because if they retire they do not have to pay back the balance as in the case if they would opt out. Is that accurate?

**Mr. Enns:** Mr. Deputy Chairperson, the member is correct. If there is a full retirement and the farm operation goes out of business, then there is no requirement to pay back.

**Ms. Wowchuk:** Considering the age of many of our farmers who we have, does the minister see this as an area where the program could run into difficulty, because, as the minister has indicated, we are coming into a time of some high premiums and a fairly high payback when there is a deficit of \$175 million. Does this appear an area where we could end up in a bit of a problem with the program?

**Mr. Enns:** Mr. Deputy Chairperson, the farmer may well retire, but the land does not retire, and somebody tends to, and experience has it that it just goes with the flow, pick up the program as well. Same acreage, right? Again, for further explanation, as the member is all too familiar with the kind of ongoing land consolidation that goes on in the rural landscape, a neighbour, an existing farmer, a producer buys that land, and in the case of GRIP there is a 76 percent chance that he is already in the program. So the coverage is eligible to maintain those acreages in the program so that they do not create the kind of financial difficulties that the honourable member has eluded to.

**Ms. Wowchuk:** So if that land then passed on to someone who was already in the program, it would have to be included. The only time it would run

into a problem is if the land went to someone who was outside the program, and there is a, say, 20 to 25 percent chance of that but not nearly as high as—okay. That was an area that I wondered whether it would be a problem.

I have more questions in this section. I will pass it on to the member for St. Boniface (Mr. Gaudry) right now.

**An Honourable Member:** We are not ready.

**Ms. Wowchuk:** I have raised several times with the minister—and again I am going to ask whether I am asking this in the right section—with regard to the designing of the future of the replacement programs. Who is involved with that committee that is looking at what we should be replacing?

**Mr. Enns:** We have, I believe, a pretty distinguished group of people helping on this committee. Organizations like Keystone Agricultural Producers are represented in the person of their president, Mr. Alan Ransom; from the Department of Agriculture, Mr. Craig Lee, Assistant Deputy Minister in Policy. We have people that have been instrumental in helping, you know, the initial design of the programs. The GRIP program is now in place. Mr. Owen McAuley, Mr. Hopley [phonetic], and we have representatives of the cattle, the other interests too because we are moving in the hope that we move to, you know, kind of a whole farm program which includes livestock and else, but it is a fairly extensive list without Mr. Alan Ransom, as I said, from the Keystone Agricultural Producers, Mr. Ken Edie from Manitoba Pool, Mr. Ian Wishart, the Forage Producers, Mr. Harold Froese [phonetic], who represents supply management—eggs are his particular commodity; Dave Jeffries, from the Peak Vegetable Sales organization; from the Bee Keepers Association, Art Bergman; Mr. John Loewen, Canadian Sugar Beet Producers; Barry Rutledge, Keystone Agricultural Producers association; Les Jacobson from the Keystone Agricultural Producers association, but he is there as a hog and a cattle producer; Sid Wilkinson, the Manitoba Cattle Producers Association; Bill Vaags, Manitoba Pork; Terry Johnson, Manitoba Crop Insurance Corporation.

We have the chairman of the board of directors from the Manitoba Crop Insurance Corporation; Bob Hopley [phonetic] who is on the national committee of the NISA organization; and a Mr. Owen McAuley.

In staff we have, as I mentioned, Mr. Craig Lee, our Assistant Deputy Minister of Policy, Mr. Owen Martin [phonetic], Mr. Neil Hamilton, who sits with us here at the table and a Carolynn Osborn. Now, this is the Manitoba component.

It became a bit of a discussion on the part of the ministers when meeting in Regina that it is a challenging, you know, responsibility to have a committee necessarily this large because of the range of commodities that are involved. You can hardly talk about bringing in red meat under the whole-farm program without having somebody from the cattlemen's association there. You can hardly talk about bringing in different forage crops and vegetable crops under the program without having somebody from there. So that builds up the list. But as the member can appreciate, by the time this goes across the Prairies, we have got a 40, 50-plus person committee that is working diligently now to try to present to the ministers' meeting in July some hard options to make decisions upon.

\* (1650)

**Ms. Wowchuk:** I thank the minister for that information. I think what I was looking for was I was wondering if the people who are involved in administering the Gross Revenue Insurance program, whether they were involved with designing a replacement program.

I would like to ask the minister, you know, as we look at the Gross Revenue Insurance program, which has been in place now for some four years, what the minister sees as some pitfalls to this program, and I realize that the new program will be very different, but what the minister would see as some of the problems with the existing program as related to the grain industry and some of the things that he would like to see corrected or changed?

**Mr. Enns:** Well, Mr. Deputy Chairperson, I acknowledge very quickly that my personal farming experience is that of a modest beef,

cow-calf operation. I confess to having yet to fill out a GRIP form or a Crop Insurance form.

I was in their forage program for a while, but it is best perhaps not to discuss that one either, because we have some difficulties in that part of the shop.

So I do not present myself to the committee and certainly to the member as having the kind of expert knowledge that a colleague of mine, like the honourable member Mr. Bob Rose from Turtle Mountain, would bring to bear on this issue, or Albert Driedger there from the sunny side of Grunthal, Jim Downey, others, but you know I appreciate the direction that we are perhaps moving to, although it is fuzzy, it is hazy. Mr. Goodale speaks a good deal, it is his kind of expression: a whole-farm program.

It gets complicated when you deal with gross incomes of a producer versus net incomes, when you deal with commodity pricing. I know that the federal government, the federal minister, is under considerable pressure mostly from eastern Canada to more or less maintain the kind of commodity-, price-based support programs that the stabilization programs that we are just getting out of, the tripartite programs represent. I think that is an accurate statement, whereas, where there is a greater willingness, certainly in Manitoba and in the western part of the country, for several reasons. We are, I think, a bit more conscious about a support program to agriculture that is not green. By that, we mean that is viewed by our trading partners as being countervailable, and so there is a great deal of—in fact, they describe programs as being amber and green and red—consideration that goes into it.

We are, of course, in provinces like Manitoba, Saskatchewan, Alberta, more export orientated. Our supply-managed industries represent considerably less of our overall agricultural economic pie, 9 percent, 10 percent in Manitoba, perhaps 2 percent in Saskatchewan. Our concerns for being able to move freely across the border with our livestock, with our grains is of significant importance to us, and that shows up at these meetings. So we do not wish to develop programs

that our major trading partners can immediately attack and identify as an unfair trading practice or as a direct subsidized support program

So there is this feeling that we could look to a more generalized, enhanced NISA-type program. But even in that area, they brought in further amendment to that program, which they called a VASA [phonetic] program, I understand, which has a value-added kind of component to it. It gets complicated.

I wish this committee luck. May they come forth with recommendations that are understandable, first of all, to the ministers, but more importantly, to the farmer-producers that we hope will be served by them.

**Ms. Wowchuk:** Does the minister anticipate that the Manitoba group will have a proposal that will be designed to take to the table for that meeting? Is that the intent right now?

Is each province trying to work through some proposal and bring it to the table and then rehash all of them, or is there a group that consists of representatives from all the provinces that are looking at what direction we are going on this?

**Mr. Enns:** Mr. Deputy Chairperson, just to remind the honourable member, these members that I just read out, they are the Manitoba component of a national group, and they meet together as a national group and have had several meetings. They are also, of course, in the first and foremost interests, keeping ourselves as reasonably informed about the direction we are heading and attempting in the interests to bring what we genuinely believe to be a program that will be acceptable and appropriate for Manitoba and help influence that that kind of a program gets built into the national program.

It has been my experience, quite frankly, that Manitoba does not do all that badly in that sense. Relative to our size, relative to our scale of agricultural production, à la Saskatchewan or Alberta, we probably have an inordinate amount of influence in the development of these programs. Whether or not that will take place this time around remains to be seen.

**Ms. Wowchuk:** I want to ask, again, whether there is another area, what we are dealing with, their insurance program, whether this is another area that we can talk about the designing of the new program, or is it all right to ask the questions right now?

**Mr. Enns:** Yes.

**Ms. Wowchuk:** Mr. Deputy Chair, does the minister see this whole income support program that we are leaning towards, that will address all commodities, meeting the needs of Manitoba producers? I think that when we look at the NISA program, many young farmers are not able—you have to contribute to get the matching funds. There are many farmers, as I understand it, who are not participating in the program, or if they participate, they participate for a very short time and are not able to build up very much resources.

Is this the line we are looking at? You talk about comparing the whole income support program to a NISA program. If that is the direction that we are going, does the minister see this type of program meeting the needs of farmers, producers of all commodities in the province, or does he feel that there is also going to be need for other types of programs? I realize there will be crop insurance in place as well, but can this program meet the needs of farmers?

**Mr. Enns:** Mr. Deputy Chairperson, I am sure it will be of interest to the honourable member that we have in excess of over 18,000 NISA contract holders in the province of Manitoba and it is being added to. By the way, that is the highest participation rate in the country. So that augers well for the kind of acceptance of that kind of a program. Whether the young start-up farmer will be able to access it in the numbers that I would like to see them do that is I suppose an open question.

I should point out that at this point the supply-managed industries are still being exempted from participating in the program in as much as they have the legislative authority, regulatory authority to determine their incomes. I suspect then there is the whole question of additional-companion programs that may or may not fall into place should these not suffice, but that

is a different issue and being treated separately and will be coming in recommendations later on, in the fall of the year perhaps.

It is going to be a challenge to the whole system. I think that we will have to accept the fact, and we will be holding out to the fact that it may not be possible for everybody to, day one, jump into a program, because we know for instance that Saskatchewan already is in a different position in terms of there is still a program. While we will be continuing to run in our GRIP programs, along with other provinces, Saskatchewan is obviously looking at something else.

We may not have—you know, we have to get a reading about people, like the cattle people and the hog people. We have a somewhat slightly different position. The Manitoba Pork, the hog people in Manitoba, are requesting that we in effect set aside the monies that we otherwise would have put into their stabilization program as kind of an advance payment on their NISA program, which makes the entry somewhat easier for them.

There are a number of directions that this will develop to. I think the Deputy Chairperson is giving me the old Speaker high sign that I should conclude my remarks.

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

## FAMILY SERVICES

**Madam Chairperson (Louise Dacquay):** Order, please. Will the Committee of Supply please come to order. This section of the Committee of Supply will be dealing with the Estimates for the Department of Family Services.

We are on item 4. Child and Family Services (a) Administration, page 60 of the regular Estimates manual.

**Mr. Doug Martindale (Burrows):** Madam Chairperson, I would like to start with some questions on the report of the First Nations Child and Family Task Force of November 1993. I think the fundamental or the most important and far-reaching recommendation here is that jurisdiction for Child and Family Services be transferred from provincial jurisdiction, the

Province of Manitoba, to the federal government and that the federal government would enact a child and family services act.

I think implicit in that is that they would also take over financial responsibility, although a very important part of this report is that First Nations will have control over service delivery to First Nations children. So I would like to ask the minister what the position is of the Province of Manitoba. Have you had time to study this report, and do you agree with this particular recommendation that I have just cited?

**Hon. Bonnie Mitchelson (Minister of Family Services):** Yes, we have received the report, and we have had time to go through it in detail and meet with the task force. We are in agreement with the recommendation. First and foremost, of course, as minister with responsibility for children, I want to ensure that children right throughout Manitoba are protected. That is my responsibility under legislation presently.

We support the recommendation that the federal government look seriously at enacting legislation and devolving authority to First Nations for care of children in their jurisdiction as a result of that federal legislation.

Madam Chairperson, I have written to the federal minister. First of all we have called and asked for a meeting with the federal Minister of Indian Affairs to discuss the issue. That meeting he cancelled. I have further written asking very direct questions around the recommendations of the task force report and some consideration as to what position the federal government might take. To date I have had no response. I have not had the opportunity to meet with the minister. We have tried to call, and we will be calling again, as a result of the letters going out, to see whether he has formulated any position at this point.

I guess the issue around devolution of authority or devolution of the Department of Indian Affairs at the federal level is an issue that would impact child welfare for First Nations' children. We are not quite sure what direction that is taking at this point, and we are not sure how quickly that process will take place. Child and Family Services is a

major component of course of funding from the federal government to First Nations, and we want to assure, in the process, that First Nations' children are protected but that the federal government takes some leadership role in making a determination on what—and I have not heard to date what the federal position is as a result of the task force report. I guess that is why I have been trying to get a meeting or at least some correspondence from the minister to find out what direction they might plan to take.

**Mr. Martindale:** I thank the minister for that answer. I hope that the federal government or the federal minister responsible will agree to a meeting soon.

I would like to ask if First Nations will be involved in these negotiations regarding a transfer in jurisdiction, and if so, how will they be involved?

**Mrs. Mitchelson:** Madam Chairperson, the task force report was a tripartite report, the Assembly of Manitoba Chiefs, the federal and the provincial governments. Of course, any issues dealing with devolution of power of authority of funding to First Nations would have to have major involvement by First Nations.

It is still our belief, and I think we all recognize and realize that the federal government does have a special responsibility to Status Indians right throughout the country, and they need to provide some leadership and some direction. I would imagine that, as the process evolves, there would have to be major input in a very substantial way from all First Nations.

**Mr. Martindale:** There are recommendations regarding delivery of service off reserves, and I believe that First Nations would be responsible for that delivery as well. I think in the city of Winnipeg something like 42 percent of all the clients are First Nations, so this would have a major impact on Winnipeg Child and Family Services agency.

I wonder if the minister has studied this and can tell us what changes would be made as a result. For example, would 42 percent of the staff be laid off if they had 42 percent fewer clients, or would staff

resources be reallocated so that they could do their work or spend more time with clients, that caseloads could be reduced? What study has the minister given to this particular recommendation?

**Mrs. Mitchelson:** Madam Chairperson, the recommendation I think does talk about a parallel directorate off reserve for Status Indians. We would certainly support that with clear commitment from the federal government that they would assume full funding responsibility. It is up to them to make that decision.

You asked the question about Winnipeg Child and Family Services. I think it is incumbent upon the federal government to put their position on the table so that in fact we know whether they have accepted the recommendations, whether they are going to actively pursue the recommendations.

\* (1440)

I think it is a little premature at this point to even speculate what might have to happen. Some concerns, I suppose, around a parallel directorate are: Who is the first line of response? Is it Winnipeg Child and Family, or would it be a First Nations directorate that would be the first line of response? How do you determine when a child needs protection, when they are picked up on the street, whether in fact they have a treaty number or they do not have a treaty number?

There are major issues and lots of things that would have to be ironed out, but I think the key here is that the federal government make a commitment to legislation, and if that should happen, then we would have to work out some of the details. I do not think it is clear yet how it could work.

**Mr. Martindale:** I would like to ask the minister, and I guess this is one of the rather complicated areas. I think the implications of the report's recommendations are complicated in many different ways. One of them is whether or not individual rights would be supreme or whether community rights would be supreme. So I would like to ask if, in the minister's view, the Charter of Rights and Freedoms would apply to First Nations when they are given jurisdiction over children and families.

**Mrs. Mitchelson:** Madam Chairperson, it is my understanding that right now the Indian Act does supersede the Charter of Rights. I guess the question that you are asking is would a child and family services act supersede the Charter, a very complex issue. I would imagine that the federal government and the provincial government would both have to get the analysis and comments from our legal people on that issue. I could not really indicate at this point.

**Mr. Martindale:** I guess at this point I could ask a lot of questions, but I am wondering if the minister believes that once it is in the hands of the federal government and the First Nations that the Province of Manitoba does not have a great interest anymore or whether the province will be putting forward their views and their concerns until the entire transition is complete. I think the report recommended five years for the transition time.

I wonder if the minister could tell us if all of the issues that come out of this report—and there are many because people have different views on the report—whether those are of concern to the minister or whether the province feels that they are handing over jurisdiction and therefore do not have as much interest as they might otherwise.

**Mrs. Mitchelson:** Madam Chairperson, even if the federal government does make a decision to implement legislation, I do not imagine that would happen overnight, too. There is usually a fairly lengthy process that does take place. The recommendation for a five-year time frame is realistic, maybe even short. We have already been—how many months since we have received the report, several months. We do not even have an indication yet on whether the report has been accepted, whether the federal government is going to move in that direction. Until there is federal legislation, the provincial legislation that is in place in Manitoba does indicate clearly that it is our responsibility to ensure that children are protected and safe right throughout Manitoba.

We all know that when there are individual issues and there are children that fall through the cracks, that ultimately those issues and those cases fall on the Minister of Family Services' desk. I

honestly believe that we need to be ensuring that the interests of the child and protection of the child come first and foremost, and we would never abdicate that responsibility or wash our hands as a government of that responsibility until there was a safe, secure standard and code in place to ensure that children were protected.

**Mr. Martindale:** One of the questions or issues that has been raised is that of giving what may appear to be more power to people who already have a considerable amount of power, and there are people in the community who are concerned that in the past, on occasion, this power has been abused. So they are saying, we are not sure that we want to pass over even more control to people who already have a substantial amount of control.

I am wondering if the minister has any views on this subject.

**Mrs. Mitchelson:** Madam Chairperson, I have to indicate that in my former responsibility as Minister of the Status of Women and since I have become Minister of Family Services, I have had the opportunity to meet with many aboriginal women. I think that was one of the issues around the constitutional debate and the inherent right to self-government. There was a real concern on the part of aboriginal women that there was male domination and fear and real concern that more power in the hands of those that already had power might not be in the best interests of the women and the children in some of our communities.

I had some very heart-rending discussions, ended up in tears several times, with women that were just so terribly frustrated with the situation and the circumstances in some of our more remote communities, where they felt that their children were out of control, they had lost control completely, that the situation was so devastating and they really felt very powerless.

I think we are so much further ahead in Winnipeg and in some other parts of Manitoba than aboriginal women are in remote communities. I would have to say that I do have some concern, because I do not believe that there is unanimity among aboriginal people, that necessarily more

power in the hands of some of those that presently have power is the right way to go.

I must say that on occasion I have lost sleep at night thinking about some of the conversations I have had with some women that just do not know where to turn. I have often thought that it might be very beneficial to have a federal minister visit—and I have to say too I think that because I am female and I am minister that I have had the opportunity to have open and frank dialogue with women. They might not open up in the same manner to a man. There are some issues. They care very much for their children, and they care very much for their children's well-being.

\* (1450)

I guess there is a bit of a dilemma here. I would hope—and what I have done is encourage aboriginal women to speak up. I know it is very difficult. It is not easy. I hope we can sort of bring them along to a point where they will be able to feel strong enough and confident enough to speak out on the issues that they have a major concern about. As I said, I would really like to get someone at the federal level to be able to come and hear first-hand some of the issues that I have heard.

There is no easy answer, no easy solution. I just hope as we move through this process that there will be some clarity, and that all members of communities that will be involved in a change or a devolution will have an opportunity to speak out frankly and openly and present their point of view.

**Ms. Norma McCormick (Osborne):** I too share the minister's despair around some of these issues of power and control. Prior to my election, I chaired the Child Abuse Registry review committee, and in that context as the chairperson had the opportunity to meet with the task force group prior to the release of their report.

One of the things that is of concern is that right now the native communities' child protection system exists outside of our ways of identifying and dealing with people who abuse children. At that point, there were no registrations coming forward from the native agencies to name people who were the known or suspected abusers of children to the Child Abuse Registry.

At that time, there were some beginnings of dialogues going on between the department and the First Nations' communities to begin a process of determining whether the mechanism of the registry, which requires by law the forwarding of these names, should be utilized or whether an alternative mechanism should be found in order to protect the children of these communities.

At that time there was an intention to schedule orientation or educative sessions for these native communities. Some of them were in fact scheduled but never proceeded. I am wondering, if in the intervening time since September of last year when I relinquished my contact, whether there has been any additional activity to pursue the relationship between the Child Abuse Registry review process or even the Child Abuse Registry itself, the naming of names, with the First Nations' communities?

**Mrs. Mitchelson:** I just want to, at this point in time, say that I have had many good comments made about my honourable friend's participation in the Child Abuse Registry committee, that she did an excellent job and that she is missed by her colleagues over there. I just want to indicate that we are well aware of the good work that you did do.

I am glad you raised the issue or the concern about the registry not being used. There was a process that was started I believe when you were still there, and that process is still ongoing. There is dialogue and communication with the department and the agencies to see whether there is an ability to change that.

**Ms. McCormick:** I was not fishing for compliments inasmuch as I was trying to put on the record the importance of this continued process. Again, I would be the last person to criticize anyone in the department or the minister herself for not forcing this. This has to be done carefully and sensitively and with the clear objective in mind that native children deserve equal protection that we should be giving to all children in our communities.

The other question I would have with respect to native concerns is with respect to adoptions. I do not know whether we should be pursuing this now

or whether you would rather—I did not consult my honourable friend from Burrows before I sort of switched gears on him here. I am concerned with respect to the recent decision to put in a search fee for the reunification process. I think that this is one other significant issue of impact on the Child and Family Services issues as they relate to our First Nations families.

Can the minister advise whether or not there was thought given to exempting families who are seeking reunification through the offices of her department? Particularly, again I would not object if it was solely applying to native families, because I think we have a legacy in this province that we should try and acknowledge was perhaps unfair, that perhaps we should look for the ways of redressing that historic wrong. One way might be to exempt the First Nations families who are seeking reunification with children who have been placed either in Canada or elsewhere from the cost associated with the search.

**Mrs. Mitchelson:** Madam Chairperson, I know this issue was raised in Question Period, and I at that time did not have the opportunity. It is complicated. I was just trying to get some clarification from the department.

When an aboriginal child with a treaty number is adopted out, they do not lose that treaty number. So they know they have a treaty number. When they become 18 years of age, that number is given to them which gives them enough information and identification about what band they come from and whatever. Very often what happens is that they do go back as a result of having that information and, through the band, have the ability to access information that would reunite them if they should so desire at that time to find their birth family.

\* (1500)

So we experience very few aboriginal people—I think they say 5 percent at most on the registry—that would maybe apply. If they were unsuccessful, they might want to apply through the registry. Then there would be the \$35 fee. By and large, there is ability as a result of them having that treaty number and the information that goes along with that treaty number for them to conduct that

search on their own. Most often, that does happen presently.

**Ms. McCormick:** I think there are two issues then that come out of this; one is that perhaps the \$35 fee would not necessarily be missed if only 5 percent of the people who were not charged it. It would not be a big issue for the department. I guess the other option would be to consider whether in fact the \$35 fee does pose a deterrent in the first place.

I guess all I am looking for is assurance from the minister that her department thought through the consequences of imposing the fee on the process of righting what might be considered an historic wrong and whether she is comfortable with the continuing of charging the fee to all people who apply.

**Mrs. Mitchelson:** Madam Chairperson, as part of the policy change, the fees will be waived for anyone who is in receipt of social assistance or municipal assistance or some type of federal support. So that is already as part of the policy.

**Madam Chairperson:** Item (a) Administration (1) Salaries and Employee Benefits.

**Mr. Martindale:** Madam Chairperson, I would like to talk about the different models, I guess, of Child and Family Services and maybe compare what is happening in two different communities.

I had the occasion to attend, I think it is Westman Child and Family Services' annual meeting in Brandon, and I was struck by a number of things. One was the considerable community involvement and support. For example, there were a lot of community people at their annual banquet and annual meeting. They were underspent in their budget, which was good to see, not by a lot but a little bit. Maybe they do not want the minister to know that, but I am sure they can find a way of taking care of that. I think there is an emphasis there on prevention and community orientation and a lot of ownership of their programs in the Brandon community. I think that is quite a contrast to what I have observed since this government has centralized Child and Family Services agencies in Winnipeg.

I used to go to the regional agencies annual meetings. I can recall going to Northwest Child and Family Services; there were maybe a hundred to a hundred and fifty people at their annual meetings. There were almost always contested elections to get on their boards, and I think that was a good sign of community interest. There was a very good mixture of people there from the community, including aboriginal people and immigrants and low-income people and people that lived in older neighbourhoods.

By contrast, I have attended the annual meeting of Winnipeg Child and Family Services for the last two years. I think they hired a staffperson to help organize the annual meeting the first year. I do not know exact numbers, but there may have been a hundred people at that meeting. My impression was that most of them looked like professionals. Almost all were Caucasian. I do not think there were any aboriginal people at those meetings. The second year there might have been 50 people at the meeting, so I think there is a real lack of community involvement and community ownership and even community orientation by the agency, although I know that they are trying and they do have advisory councils. There was a move from, I think, all appointed board members to now I think a majority appointed by the government and a minority elected at the annual meeting.

It seems to me that there is a need for a lot more community involvement and community ownership of the agency. I think the best way to do that would be to have all of the board members elected. If the minister is going to keep the regional advisory councils, I think all of their members could be elected if they are not already now. I am wondering if the minister is willing to consider, at the very least, having more board members elected or even all of the board members elected at the annual meeting.

**Mrs. Mitchelson:** I appreciate the comments that have just been put on the record. I guess there is one small, or big, difference between Westman Child and Family Services and Winnipeg Child and Family. Westman is a smaller agency. It does have a fair demographic area to service, but it also has probably a more stable client base, too, than

the City of Winnipeg. So there are some differences. They have, yes, been very progressive, probably a little bit out ahead of what Winnipeg Child and Family Services has been. I understand that they do a fairly good job. They have been innovative, and they have been creative, and they do have a large volunteer component.

As far as Winnipeg Child and Family Services go, there are some 900 volunteers who are involved on a yearly basis with Winnipeg Child and Family, but I do understand the concern that has been raised. Things have changed since we have centralized, to some degree, but if you look back to Children's Aid Society—some of the discussion we had last night around how the change or the decentralization certainly did not stop the increase in the number of children who were coming into care—we have still, in comparison to the rest of the country, more children coming into care in Manitoba per capita than any other province.

My sense is that we have a system here that is not necessarily working. That was one of the reasons that we tried to focus, this year, on a new way of doing things, to free up the Level I money and leave it with the agencies so that they did not necessarily have to bring children into care to provide the supports that those children needed.

I am sure we will talk in more detail about the relative placement fees that will free up more money for the agencies to use in other ways. It will allow for more permanency planning for individual children in the best interests of the children.

There are several things we have been working on with Winnipeg Child and Family to try to find a new way of doing business. They have proposals that they have developed, and we will be assessing those proposals, are in the process of that right now, and seeing whether some of the money that has been put aside in the Family Support Fund could be utilized for new ways of trying to deal with children and meet children's needs.

\* (1510)

The volunteer issue is an issue I raise every opportunity I have in meeting with the agencies

that we fund. I ask the question always, what is the volunteer commitment, and how many volunteers do you have supporting the work that your agency does? Something that I support wholeheartedly is a major volunteer commitment, major community commitment. One of the reasons why I have reached out to the church community, to the service clubs, is to see whether they have an interest in playing a role in partnership with government and how that might happen.

I am getting a fairly positive response from most areas that they do want to be a part of the solution. So I think we will see over the next period of time some development of some new partnerships that would be very positive. You know, I have even been asking the questions when it comes to us providing support for projects. Should we be looking at having one of the criteria, one of the guidelines for every project that we fund a volunteer commitment or a volunteer component? I think that might be very positive. We do not always require that.

Very often the dollars that we put out are for professional staff, and I think there needs to be a partnership between the professional staff and the volunteer community also. I am focusing in a major way on that, bringing in the total community around the issues. I would like to see more volunteers involved, and we will work towards that goal.

**Mr. Martindale:** I think this logically leads into my next question, which has to do with where the money is being spent and how the money is being spent in Child and Family Service agencies. As the minister well knows, in the past we have always had a problem because large amounts of money flow if children are taken into care. There has never been enough money for prevention. We really need to do things differently. Prevention is one of the principles in the act, but I think we need to spend money on keeping families together that would have been spent on breaking up families, either because children are taken into care or because of court costs and all those sorts of things.

I guess another reason for doing things differently is that right now, with so many children

coming into care, and the minister has said that Manitoba has the highest rate of children coming into care of any province on a per capita basis, is that my understanding, from talking to people in the child and family services community, what is happening is only those people who are in crisis or an emergency are receiving service. There just is not enough staff, or there are not enough resources to provide for all the needs in the community.

The minister has talked about redirecting money, and so I would like to give her the opportunity now maybe to expand on that a little bit. We have touched on it a few times in these Estimates, but I wonder if the minister can give us some details now on how agencies are being given permission to free up money or to spend money in different ways, particularly where it comes to directing resources toward prevention, keeping families together, rather than taking children into care.

**Mrs. Mitchelson:** Madam Chairperson, as the result of freeing up the Level I basic maintenance payments, we are looking at over \$11 million across the board, but the majority of that would be in Winnipeg, for early intervention, family preservation, family support. That is a substantial amount of our budget at this point in time that will be freed up, and the agencies will then be able to look at innovative new ways of programming and working with families in families, whether it is homemakers' support, other supports that need to be put in place around a family, to try and work with them to make them a more compatible, more viable family.

We talked also about permanency planning, and I indicated yesterday that I have had the opportunity to talk to some of those working in the system who relate back to the Children's Aid Society, when we had specialists working in the field around the area of adoption and there was a stronger focus. Adoption has not been a high priority in the agencies, because the crisis and protection issues and other protection issues have taken priority.

We do have children that are sitting as permanent wards that are adoptable that maybe sit

two or three years in a foster home waiting placement. I even had someone call and indicate to me that they had contacted one of the agencies four years ago and had not heard a response back. So those are the kinds of things I am hearing. I do believe that Winnipeg agency now is prepared to focus efforts in a major way around bringing a team of specialists together around adoption. I think it is in the best interests of the child if they are adoptable to find a home. I know that people are waiting up to 10 years now to adopt children. If there is an ability to move those children into a permanent secure placement through adoption, I think it is incumbent upon us to work very expeditiously to make that happen.

Those are some of the areas that we have focused on, and there will be others as I get an opportunity to look at the management plan. As proposals come forward for the Family Support Fund, we will be looking to see whether it is new, a new way of doing things. I am going to be asking directly whether there is total community participation and whether there is a community volunteer component to any of the proposals that do come forward.

**Mr. Martindale:** I would like to ask the minister some questions about the fees for the Post-Adoption Registry. My understanding is that the federal government has assisted First Nations people and adoptees in finding their birth parents, but the provincial government has not contributed money to that program. I did get a call from one individual who was registered in the Post-Adoption Registry, and so is her son, but felt that no efforts were made on her behalf, and for sure it was not the agency that found the children, it was her through advertising in the Winnipeg Free Press.

The First Nations community is justifiably, I believe, upset about the new fee policy. Of course, this has a long history going back to the time when many children were adopted out of province and even out of country. Judge Kimelman's report, No Quiet Place, called this policy cultural genocide. It was at that time that the policy stopped, or the out-of-province, out-of-country adoptions stopped.

Since that time, or since the time that children have been adopted out and turned to adults, they have been trying to repatriate themselves or at least find their birth parents. I think it is particularly unjust that this government is instituting a fee of \$300 for the Post-Adoption Registry, when it was our society that caused this problem in the first place. I think the very least that we could do would be to put resources into helping these individuals find their families and become reunited or, at the very least, not put barriers in the way, including financial barriers.

I would like to ask the minister—I know she has already been asked, but I would like to ask again if she would be willing to make an exception to exempt aboriginal people from these fees.

**Mrs. Mitchelson:** Madam Chairperson, I have answered that question already. I indicated, those that have treaty numbers at birth maintain those treaty numbers. When they are 18 years of age, they have the opportunity to get full information or enough information that provides access to the band and the location and all of those things. So for the most part, Status Indians do not use the registry, but they go back to their place of origin and get the information that they need to reunite them with their birth families, if that is what they desire.

\* (1520)

I have indicated also that the policy waives fees for those that are on social allowances or municipal assistance or federal support. I think if there is an ability to pay that it should only help to speed the process up for the Post-Adoption Registry, and maybe we will be able to more expeditiously search.

**Mr. Martindale:** Basically the answer is no, the government is not willing to make an exception in this area. So these people are being victimized twice: once because they were adopted out of province and in many cases out of the country; and now a second time because they have to pay a fee which, if they use the services, is going to be a hardship on some people. I think this government should be making it easier for these individuals, not harder. This government should be

accountable and responsible for assisting reunification of these families.

I would like to move on to the foster family rates, which aboriginal people are also concerned about. I think this government is taking advantage of people who are related, because there is a lower rate. I think it is exploiting emotional and family ties by paying them less. I think there are a number of issues here. One is that foster children in aboriginal communities are almost always placed, or are frequently placed with relatives because they have a strong tradition of extended families.

Another issue is that the cost of living in northern Manitoba is much higher than in southern Manitoba, and I hope that the minister got the same fax that I did from one of the aboriginal agencies that included charts on the cost of different goods in stores in northern Manitoba. They did a lot of research, they went to a lot of stores, and they compiled all this information of various grocery and household items into charts and showed that their living expenses are considerably higher. Yet, in spite of that, foster family rates are being reduced. I know that I asked questions on this in Question Period, but I would like to ask again how the minister can justify this reduction for foster family rates for relatives.

**Mrs. Mitchelson:** Madam Chairperson, I think I have already indicated that as a result of this policy direction, this new decision, what we can do is try to ensure that if there is the ability to place someone permanently in a more secure environment, for the child's sake, that we want to make every effort to do that. I have indicated in the past also that we are not taking money out of the child welfare system as a result of this. I do not think that has been understood well enough, that the money still is in the system and there is more money in the system.

What we are attempting to do with this policy change is to ensure that we can focus resources on putting supports into the family unit, whether that be homemaker supports or child support or some parental supports, so that we can keep families together. I think it is important for us to see decreases in the number of children coming into

care right across the province, no matter what community. So it is the up-front intervention, the working with families earlier on, the identification of risk earlier on, and trying to put in support systems around the natural family immediately, a new focus and a new way of doing things.

We would like to see the numbers of children coming into care reduced by that method. It is a new strategy, a new focus, and I think it deserves an opportunity to have a chance and be evaluated and determine whether, in fact, we have made a positive impact. My sense is that if we can identify early-risk or high-risk situations, if we can put the supports into the home up-front and work with the family, with the child and the parents and the siblings, that in fact we might have a greater success of keeping families together. So that is the focus.

As I said, the money remains in the system. It is not a clawback by government. In fact, there is more money in the system as a result of this budget to try to focus on a new way of doing things.

**Ms. McCormick:** Madam Chairperson, I would like to pursue this a little bit, because as I have said, till now, this is something that we have been waiting for for a long time. When the Children's Aid Society of Winnipeg was put into receivership under a previous administration, I served on the transition board. Part of the issue that was presenting the old agency and which became an issue for the new agency was, when we have our Child and Family Services system seen as primarily the baby snatchers, primarily the child protection entity, the thought at the time was that it reduced the likelihood that families would trust and would co-operate with the agencies. I think that much has been done, even through something as simple as the change of name to talk about these as Child and Family Services agencies to cut into that.

However, what I am concerned about here is that while you are saying there is money in the system and that there is even more money in the system, one of the things that continues to trouble me is that the system has difficulty retooling. You talked yourself about how we turned child abuse

specialists into generalists and then did an even worse thing, and that is try to make generalists into child abuse specialists. There was some legitimate criticism of the service development at the time.

What worries me here is that I have on my desk right now three proposals coming out of the grassroots of the community seeking support to do the very kind of thing you are talking about. Yet each one of them sees the possibility of getting funding as impossible, because the money is appropriated to the agencies, and there is no extra money for other kinds of initiatives. Now part of this could be a trust thing. Part of this could be an unwillingness to acknowledge that maybe the agencies could or should be delivering these services, but also part of it is the question of who has the mandate to do this kind of community development voluntary supportive activity in the community.

Just to use as an illustration, the project on anger control for adolescent males which is currently run out of the Family Centre on a \$22,000-a-year grant—peanuts—from the United Way of Winnipeg. The question for you at this point is, it seems to me that this is an ideal program. It is cheap, it is targeted. It has the potential to work with 60 young people during the year. Actually I want to go on the record, no one from Family Centre has asked me to do this. I just happen to know about this program and happen to think it is a good idea.

When I look at this, and this thing stands to go down at the end of the year, then we will lose a very valuable resource, because a lot of the trouble that happens in young families comes when people do get angry and do not know how to deal with their anger. One might say, well, why would not the Family Centre sell its services to the agencies? Why would they not go to the agencies and say, look, it costs us 22 grand a year, if every one of the Winnipeg agencies gave us six grand, we could continue to operate this program? The answer to that appears to be, well, they never have enough money to do what they want to do, so why would they give it to us.

\* (1530)

Another example is a family stress help line, which again is modelled on your volunteer approach. A third one is one going on in my own constituency, which is applying to Brighter Futures for money and they missed the cutoff for this year.

Time and time again we have these wonderful community-based, cost-beneficial activities that do not get considered for funding because the agencies who are mandated to do the work did not think them up and are not about to share their money with somebody else.

Is there a way that—and again I am not speaking against the Child and Family Services agencies, I want to be clear on that, too—some of the things you acknowledge should happen and should tap into the wealth of resources? I mean this thing, this family stress help line, is volunteer based.

It seems to me that instead of calling an intake worker in the middle of night duty to come over and take my kids away and whatever, if someone could phone up and give me advice on what is logical next thing to do in this crisis situation I am in. It would be doing what you want to be done, but these ideas, none of them, have come out of the agencies. None of them have come out, they have all come out of the communities.

I want to know how you are going to redeploy. Is it always going to be redeploying within the agencies or is any of this money going to get redeployed out, or alternatively—and here is a strategy—could we consider purchase of service-type agreements by the agencies who control the money to these kind of laudable community initiatives?

**Mrs. Mitchelson:** Madam Chairperson, I certainly appreciate the comments that have just been put on the record. I would have thought that you have listened to some of my comments over the last six months in meeting with the community, because that is exactly what I feel we need to be looking at.

What you are saying is, there are very little dollars sometimes required that can go a long way when there is a volunteer commitment. I have not ruled out those kinds of opportunities, and I should probably follow up with you at a later date on the

three proposals. I could probably find out, just as a result of reading Hansard, and try to get in touch with the people who are providing the services that you are talking about.

I have had the opportunity to meet with the Family Centre, and I did go out with them last week, I think it was, to visit some of the daycare homes with special needs children in them and to visit a home where there was a young mother with four children who was trying to turn her life around, and what they had done was put some homemaker support services in that home. It looked like they were having a fairly major positive impact as a result of that. So I did have the opportunity last weekend to have a fair amount of discussion. I am quite impressed with the work that the Family Centre does, by the way.

I do know that the agencies do contract with the Family Centre on some occasions. I am interested too—we do have the Family Support Fund, and I am not saying that every dollar that is in that fund is going to go to the agencies. There should be opportunity within that fund to see through some ideas that the grassroots community does have. I would love to see funding go to projects where a little bit of money goes an awfully long way, to provide some service. It sounds like the three proposals that you have on your desk would merit some consideration.

As far as the Brighter Futures money goes, I think that we might be able to develop a partnership. I have been dialoguing with the federal government around those dollars and have expressed my desire to have a volunteer component to some of the proposals that come forward. I know that there have been deadlines. I do not believe, at this point in time anyway, that all of the money for Brighter Futures has been spent. There might be opportunity for some new applications still this year. I think we need to focus and go back out to the community and seek some proposals that might have that volunteer community component.

**Ms. McCormick:** Madam Chairperson, the third program, which I did not mention, comes out of Mayfair, the Mayfair community, the low-rental

housing community, and it is a high-needs area, and the proposal is really collaborative. It has got an involvement of the public health nurse, of the school and of the community development people. I will provide that to you, and whether it is through Brighter Futures or through your family-support initiative, these are, I think, the very kinds of things you are looking for.

The one other thing I would like to find out, and I was fishing through my Estimates book, can you tell me what is the volume of money that is in the Family Support Fund?

**Mrs. Mitchelson:** \$2.5 million.

**Ms. McCormick:** Again, there is no presumption that that \$2.5 million is owned by the Child and Family Services agencies.

**Mrs. Mitchelson:** No, Madam Chairperson, I think that if the agencies come forward with proposals on how to manage and keep children out of care and can utilize those dollars, I think we will certainly look at those proposals on an individual basis, but that does not preclude opportunity for other parts of the community to try to access and maybe augment or do some of the things that the agencies do.

**Ms. McCormick:** The one other thing I wanted to touch on in this redeployment of money is that many of the programs that are being proposed are based on solid research that has been done elsewhere with respect to their successes. One of the things that troubles me greatly about many of the approaches that we take is we tend to look at these things as pilot projects, and then we fund them year to year and consume a great deal of anxiety and time on the part of the staff to have to continually put in their proposals for subsequent year funding.

With your family-initiative money, are you looking at this as being, again, the pilot projects or more mandated systemic services?

**Mrs. Mitchelson:** Madam Chairperson, I think initially the word "pilot" is being thrown around quite often now, and I guess there is a sense by governments at all levels that a pilot means that there is an evaluative process. I think it is important, I have indicated that, and I do not think

there is disagreement that we do have to evaluate any project, any new program that is implemented.

\* (1540)

So I guess the term "pilot" could be used in the context that there will be an evaluative monitoring mechanism in place with the implementation of new programming so that we do know on an ongoing basis whether it is working, whether it is not working. I suppose the word "pilot" is used in the context that no longer do I think that we can just keep programs around for 20 or 30 years. If we do an ongoing monitoring and evaluative process and the program is not working, I hope governments of all political stripes will have the strength to say it is not working. We are going to have to refocus or use those dollars in a different way.

**Ms. McCormick:** Madam Chairperson, I think the minister has hit it on the head, and that it is not just the pilot projects, but even our ongoing services like what we tripped over last night with the CRISP program, which causes both of us to want to go and look a little more closely at whether it is meeting its needs, makes a compelling case for evaluating the statutory services, as well as the new initiatives.

I know my colleague for Burrows has an interest in pursuing some things. I can come back to my adoption questions later if he would like to proceed, and then I will get back in.

**Mr. Clif Evans (Interlake):** Madam Chairperson—[interjection]

**Madam Chairperson:** Order, please. The reason is the critics are allowed to be in the front bench for the Estimates process. Regular members are really supposed to be in their own seats.

**Mr. Clif Evans:** Madam Chairperson, I would just like to ask a few questions on the Community Futures Partners Of Manitoba. I am wondering if this falls under the minister's department.

**Mrs. Mitchelson:** Madam Chairperson, I think Community Futures falls under Labour Market training which would probably be the Department of Education. It is not one of our programs in Family Services.

**Mr. Clif Evans:** Madam Chairperson, if I am incorrect, I was informed that the minister had been in Ottawa and had met or was to meet with the federal people on the Community Futures as a whole for Manitoba and, of course, the other provinces that Community Futures is involved in. But, if my information was incorrect, then I can certainly find out.

**Mrs. Mitchelson:** Madam Chairperson, I am not sure, maybe if you wanted to ask the questions I could attempt to find out what department it might be or whether it is something that pertains to Family Services.

**Mr. Clif Evans:** I met with Ken Tully, who is the managing director for the Community Futures Partners Of Manitoba. They had indicated to us at the meeting that they were going to try and touch base with your office on this and that your department sort of had some handle into it.

**Mrs. Mitchelson:** Madam Chairperson, I did receive correspondence asking for a meeting with me. I do not know whether we initially scheduled it or I had indicated that I would meet with them. It may have been delayed for a few weeks because I was coming into Estimates and wanted to ensure that my Estimates process was over before I had the opportunity to meet. I have not as yet met, and I am not sure exactly what they want to meet about.

**Mr. Clif Evans:** Madam Chair, so then the minister is saying, can we deal with this after, or has the minister met with any of the federal counterparts on the Community Futures program at all?

**Mrs. Mitchelson:** No, I have not.

**Mr. Clif Evans:** Thank you, Madam Minister, for taking up your time, and we will deal with it appropriately after.

**Mrs. Mitchelson:** I can make a commitment, after that meeting, to have a follow-up meeting, if you would like, so we can discuss some of the issues.

**Mr. Martindale:** Does the minister have the payments to external agencies for '94-95 list for the critics? If so, could we get it now?

**Madam Chairperson:** The honourable Minister of Family Services, tabling that document?

**Mrs. Mitchelson:** Yes. I do not know how many copies I need for tabling. Is there one for the Clerk and one for each of the critics?

**Madam Chairperson:** That is correct.

**Mr. Martindale:** Thank you for providing that information.

I have a question based on a report called "Government Response to the Independent Review of Reporting Procedures in Children's Residential Facilities, Manitoba Family Services, April 1992". In numerous places under Action Plan for each of the recommendations it says: Refer this recommendation to the legislative review scheduled for 1993.

I am wondering if the minister can tell us if that Legislative Review took place, if there was some sort of report or summary and if that is public, and if so, could we have a copy?

**Mrs. Mitchelson:** Madam Chairperson, I guess the recommendations of the report were looked at in the context of, you know, at what point in time might we—were they long-term or short-term sort of recommendations? And you are asking the question of whether the act was reviewed, that is, The Child and Family Services Act. I think, as with all legislation, from time to time it does need to be reviewed. Was it done in 1993? It was not done.

I guess the issue for me as the new minister is to determine what type of process needs to be put in place to review The Child and Family Services Act. We have had correspondence that has told us that there are issues with the act, that there need to be amendments to the act. I would like to see a comprehensive review of that and some sort of public input before, you know, change in legislation or amendments. So I am just now attempting to determine how that process might work and when it might take place. I think it is timely, and I think we have to think very soon about reviewing the act, but, to date, that has not been done.

**Mr. Martindale:** Would the minister be contemplating some kind of review committee that might have members of the public appointed to it and might hold public hearings and then submit a report to the minister?

**Mrs. Mitchelson:** We are looking at all options that might be possible at this point in time. I mean, it is critical that there is public input, and we have already had concerns raised, issues raised, regarding the need for amendments to The Child and Family Services Act. I guess governments choose either a decision to do a white paper and send that out to the public and, you know, have an opportunity for public input in some way, and we are just in the middle of—I have had the budgetary process to deal with, and now we are sort of dealing with some of the issues that need to be looked at and need to be addressed. The act is one of those issues, I would hope. There has not been a final determination yet.

You are asking, will there be public consultation and public input? Yes, there will be. As to what form that will take or the exact timing, that decision has not been made, but I would hope that I will be able to, after I get the Estimates process over with, look at how we might implement that and what time frame. We will be making an announcement.

**Mr. Martindale:** I think I have a final question on a different topic. The Minister of Family Services and the federal minister put out a press release on August 24, 1993, on the Canada-Manitoba Children's Agreement, and it is the Community Action Program for Children. The federal government's allocation for programming in Manitoba was to be \$8.26 million over the next four years and an estimated \$3.4 million every year after 1997. So I would like to ask the minister if that money is still flowing to Manitoba and if we could have a list of the projects that that money is being spent on.

**Mrs. Mitchelson:** Madam Chairperson, that was the Brighter Futures program that we were just discussing a few minutes ago, and there were a couple of intakes for applications. We had a joint-committee process, federal-provincial

process. As a result of a change in government at the federal level and a change of minister at the provincial level, there has been a little bit of delay in getting those applications assessed.

I have to indicate, frankly, that I did have a little concern because we were embarking upon a process where we were attempting to find out what kinds of supports needed to be put in place around single parents—clearly evident that we have talked about early intervention, early child development. I wanted to ensure that there is a process and there is some money there as a result of any new pilots that might be announced, and if there are proposals that come forward from the community. I guess one of the issues or one of the concerns I had around the proposals was, was there enough community involvement, volunteer community involvement?

So it has been a slower process than was first anticipated, and I think we are very close to some announcements for funding projects from last year's allocation. Many of the projects that will be funded will be funded over a period of years. They are not one-time-only funding. I think there is a five-year time frame. So there will be announcements in the very near future around projects that received last year's dollar allocation and this year.

**Mr. Martindale:** Well, the minister may be interested to know that I wrote to several organizations and told them about the funding that was available and urged them to apply, so I hope some of them did.

I am going to excuse myself to attend an event in my constituency. So I am leaving the Estimates in the very capable hands of our former Family Services critic, the member for Wellington (Ms. Barrett) and the member for Osborne (Ms. McCormick).

Before I go, I just wanted to say on the record that I appreciate the minister being so forthright in actually answering questions that were put and not making speeches, and the result has been quite significant. Instead of being here for three weeks, we have been here for three days, and it is much appreciated. Thank you.

**Mrs. Mitchelson:** Madam Chairperson, I really have enjoyed the Estimates this year. It has been a new experience. The issues in Family Services are very near and dear to my heart, as I know they are for both critics, and I think we have had good dialogue and discussion. I am sure that even though we have different political philosophies and backgrounds that some of the issues in this area are issues that we can all agree need to be addressed, and in some instances, there is a consensus that we all might do the same thing if we were in government.

So I want to thank my honourable friend for Burrows for his comments and for his contribution and for the way the Estimates have proceeded.

**Madam Chairperson:** Is it the will of the committee to have a five-minute break? [agreed]

This committee will reconvene at 4:01 p.m.

*The committee recessed at 15:56 p.m.*

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**After Recess**

\* (1600)

*The committee resumed at 16:01 p.m.*

**Madam Chairperson:** Order, please. Will the Committee of Supply please reconvene.

**Ms. McCormick:** The member for Burrows (Mr. Martindale) has opened the discussion around adoption. Much of the conversation that we have been having about single parents and about the importance of challenging some of the practices that these young children, these babies having babies, can in fact provide them with suitable environments, leads me to a question around current adoption policies and perhaps whether or not there is a new era that ought to cause us to go back and look at some of our adoption policies.

I want to just start off and declare my bias, and that is that I really do believe that the current policies in place are restrictive and in fact punitive and anachronistic, that really they are irrelevant to the times.

If we are going to move toward a goal of ensuring that kids get the best opportunity in life, then perhaps we have to give up the idea that when a child is placed for adoption, you give it up

forever. I think that is one of the barriers for many of these young women, is the idea of disconnecting themselves forever from their children would cause them to want to give parenting a shot.

The current philosophy of adoption appears to be motivated by a spirit of protectiveness, but I really challenge who we are protecting. I am wondering, given that there is now more interest in reunification, you know, searching files to connect people with their birth parents, if we could not solve the problem over the long haul by perhaps allowing for more open adoptions. I would ask the minister whether there are any plans for a review of adoption policies which would perhaps allow for more open adoptions and some continuing contact between the birth mother and the adoptive parents.

**Mrs. Mitchelson:** I guess that would be a part of any review of The Child and Family Services Act that would be undertaken. I think it is timely, extremely timely. I have had the opportunity to meet with Adoption Options, a Gift of Hope Conference, where there is a coming together of Adoption Options, infertility groups and Links and listened to the issues, met in fact the young girl—there was an article in the Winnipeg Sun back in the fall, just after I was appointed to this ministry, about a young girl who had given her baby up for adoption—it was a private adoption arrangement—and had got her life together. I think at the time she was working three different jobs.

I cut the article out at home on the weekend and brought it into the office and said, I would love to find this young girl and talk to her. It just happened, as I went out to bring greetings at the Gift of Hope Conference, that she happened to be one of the participants. I have had a follow-up meeting with her also. I think, and this is my personal opinion, that I am not sure that all of the options are fully explored. I think, in talking with the Adoption Options people, what they say is, you know, they are not pro-life as such, I guess. What they really believe is that girls, women should be given the full range of options available. If the option is to parent, then they should understand what the options are, whether it is parenting yourself or some other form of parenting that

might be in their best interests and in their child's best interests. I am not sure that we explore or present those options in the fullest way we should.

That is a question that has been in the back of my mind, and we are going to continue dialoguing and working with the people that are promoting adoption. Many of them are families that have been waiting for 10 years to adopt a child, and because more young girls are choosing to keep their children, there are not as many children around to be adopted. I firmly believe—I mean, I look back to the old system—it is right, people now are trying to reunite—and I am not sure that what is in place or what has been in place is necessarily in the best interests of all concerned, so I think that is something that needs to be debated fully in our Manitoba community as we look at the legislation.

There is more of an open adoption policy now, where women or girls have the opportunity to choose who the adoptive parents might be and choose what type of a relationship they might want to have with the adoptive family. Some choose not to have any contact. Others can strike an arrangement or an agreement where there is the ability for the birth mother to have some ability or some access to the child. There is a full range of opportunity there based on, I think, girls and women having all of the options presented in an equal fashion and the opportunity to make informed choices. I am very supportive personally, but it would be interesting to see what Manitobans think as we look at review of the legislation. I will continue to work with those people that believe there need to be some changes made.

**Madam Chairperson:** 4.(a) Administration (1) Salaries and Employee Benefits \$384,800—pass; (a)(2) Other Expenditures \$58,400—pass.

4.(b) Child and Family Support (1) Salaries and Employee Benefits \$2,240,700—pass; (2) Other Expenditures \$1,888,300—pass; (3) Maintenance of Children and External Agencies \$92,357,900—pass; (4) The Family Support Innovations Fund \$2,500,000—pass.

4.(c) Seven Oaks Centre (1) Salaries and Employee Benefits \$1,756,400—pass; (2) Other Expenditures \$271,000—pass.

4.(d) Family Conciliation.

**Ms. Becky Barrett (Wellington):** Madam Chairperson, I have one question in this area and that is, there has been some discussion that there might be or there might have already been set up a program or something in place to provide a neutral location for family visits under Family Conciliation. I am wondering if the minister can give us a status report if that is in the planning stage, if it has been implemented, or what the situation is with regard to providing that kind of neutral visiting location for families.

\* (1610)

**Mrs. Mitchelson:** Madam Chairperson, we are just awaiting the director coming in so that I can be brought up to speed on the issue. Could I ask if that question might be repeated, please.

**Ms. Barrett:** I am wondering if there has been anything established either informally or formally or what the status is of a program that might be put in place to set up a neutral location for family visits. There are some instances where families find it difficult to perhaps meet in the home or to find an appropriate place to visit. I am wondering if there has been any consideration given to finding or supporting a neutral location for those visits.

**Mrs. Mitchelson:** Madam Chairperson, can I just ask for some clarification around what we are talking about when we talk about a neutral place? Are we talking about a husband and wife meeting? Are children involved? I would like to get a sense of exactly what the issue is or what the problem is, and what my honourable friend has heard about a neutral facility being put in place and by whom.

**Ms. Barrett:** My understanding is that—well, as it says here, one of the objectives of the division is to provide a range of services to enable mediation to take place and conciliation to take place, maybe leading to reconciliation or at least leading to a resolution of the relationship between the parents that is in the best interests of the children.

Maybe I should ask for clarification, too. Do those meetings and conciliations take place in a central location or—maybe I will back up again. Maybe it is more in Family Dispute, but I do know that there are instances where there is a court order visitation rights where the—let us just for the sake of discussion say, mother has custody and the father had visitation, but there are concerns about that, the ability of the father coming to pick up the kids at the mother's home, and I know that there are instances where they go to a neutral location, such as McDonald's or something, to pick up the child. I am wondering if in the whole conciliation process there is a problem with the location of the conciliation actions and discussions, or if everything takes place in an office, or what the situation is.

**Mrs. Mitchelson:** Well, what Family Conciliation does is the assessment for the courts, and if there is a need for some support or intervention or counselling, that client or those clients are usually referred to an external organization in the private sector or an external body in the private sector for marriage counselling as such. Family Conciliation does not do marriage counselling. The only reason Child and Family Services would be involved is if there was an issue of protection of the children. Then Child and Family Services might be involved, but I do not think it is within our mandate to provide supports for families in a situation where there is not a child protection issue.

**Ms. Barrett:** Madam Chairperson, I will get clarification of what the question should have been.

One other question, sort of following along from that, do I understand the minister when she says that there, in effect, is no direct service provision, it is more referral and information? It says under Activity Identification that there is conciliation counselling available, so I am unclear as to what is the real process here.

**Mrs. Mitchelson:** Family Conciliation is there for the purpose of helping families reconstruct after divorce or separation. If there is a need for marriage counselling, that is referred outside of government to the community.

**Ms. McCormick:** I, too, would like to ask a question around the court-ordered assessments. One of the things that is important is for these situations to get resolved expeditiously. The longer the family drags on in this period of uncertainty, probably the more destructive it is for all concerned. I am interested in knowing whether the time line from when the request comes from the court to when it is actually done and available for the court's consideration has lengthened over the time in which this program has been in place.

**Mrs. Mitchelson:** Madam Chairperson, it takes somewhere between four and six months to do a court-ordered assessment. I guess the question around are we seeing backlogs or increased periods of time, no, my understanding is that it is has decreased rather than increased over the last year.

**Ms. McCormick:** I am very pleased to hear this. My own children benefited from the family conciliation process, and it was extremely positive. I think it is a resource that if it is delivered in a timely fashion, at the time when the children are really in need of it, and also that any—now mind you, we were not part of the assessment process, so I cannot speak to how that had worked. But I do think that in terms of assessing priorities that this is one which, if the intervention is done quickly and correctly, has a tremendous preventive benefit to children and families in this difficult transition time. So I commend the department for its work in this area.

**Mrs. Mitchelson:** I know that the Family Conciliation branch does take their job very seriously, and they want to ensure that a complete and thorough assessment is done in the best interests of the clients they serve, so I am pleased to hear that there has been a positive experience.

\* (1620)

**Ms. McCormick:** I have some questions that I had been saving for the right moment, and I am not just sure when the right moment is. I had some questions around the Year of the Family Secretariat, and I would seek the indulgence of the minister either to deal with them now or at the end of the process, if she prefers.

**Mrs. Mitchelson:** Madam Chairperson, I did have staff from the International Year of the Family available right up front. We can try to locate staff and very quickly. The secretariat is in the building, so if there is someone available we can see whether we cannot get someone in to help answer questions.

**Ms. McCormick:** That would be satisfactory. What I could also do is suggest that I could just put my questions on the record and you could take them as notice if you wanted to get back to me if she is not available. In the meantime, rather than slowing the process down, if we can move to the next line.

**Madam Chairperson:** Item 4.(d) Family Conciliation (1) Salaries and Employee Benefits \$721,800—pass; (2) Other Expenditures \$168,000—pass.

#### 4.(e) Family Dispute Services.

**Ms. Barrett:** Madam Chairperson, I have two or three questions in this area that follow out of the Pedlar report dealing with income. It is under the heading of Income Security Response, and they also are policy questions that I would like to discuss briefly, if I may.

The first one is from the Pedlar report. The first recommendation is minimal allowable stay in shelters, and the recommendation is that the Family Services and Income Security increase the initial allowable stay for a woman at a shelter to 30 days from the current 10 days. I would like to ask the minister—I will start with the question. Has there been any change in the initial allowable stay from the 10-day timing?

**Mrs. Mitchelson:** Madam Chairperson, 10 days is still the recommended length of stay, but if on admission to a shelter the shelter director feels, or the staff at the shelter feel, that there would be a need for a longer stay, they contact the office and we have the flexibility within our policy now to assess each case on an individual basis. If there is a need for a longer stay, we can accommodate that.

**Ms. Barrett:** Yes, and I have discussed this actually with the current minister's predecessor in other Estimates processes. I would like to put on the record very unequivocally that I think this is an

issue in an area that desperately needs to be adjusted. I understand the financial implications of having a longer initial shelter stay, and I am not for a moment suggesting that they might not be substantial financial implications. However, I do think that the Pedlar report is very clear and makes some very compelling arguments for increasing that shelter stay. Anyone who has worked in the shelter system or in this whole area as I did with the second stage part of the process knows that women when they go to shelters are in crisis.

They do not do it lightly; they often do it more than once. As a matter of fact I have heard statistics that many women go back four, five or six times. There are reasons for that, not the least of which is that there really is not anywhere in the world adequate services for women and children after the shelter stay, and we are all working on addressing those issues. Why are we working on addressing the continuum of service that needs to be expanded? I think that it is important that we recognize that there are not adequate resources for women and children after the shelter, and that we need to expand the initial allowable stay to address those issues. Ten days just does not allow families enough time to begin to deal with the major issues of safety and the emotional problems, all of those, the range of issues that families have to deal with. Ten days does not allow for it.

The minister talks about the flexibility of each individual case being adjusted. As Pedlar says, that flexibility allows for individual action. The other side of that process is that there is a huge range of actual allowable stays throughout the province and from one situation to another. I think that you need to maintain flexibility, but you also need to recognize the fact that 10 days is not adequate as a base.

The other point that was made in Pedlar is that most other jurisdictions have an initial stay which is considerably longer than Manitoba's.

I would just like to say again that I think this is one area where we, as a province, could take away some of the pressures on these families, and perhaps maybe slow down or decrease the number of times that families come to shelters before they

finally make a determination as to what is going to happen with the rest of their lives. If they had more opportunity right up front, knowing they had 21 or 30 days to make those decisions, that would free them up to do some of the work that is necessary to be done.

So I would like to put my concerns on the record and also, I guess, ask the minister if she is considering making some changes in this area.

**Mrs. Mitchelson:** Madam Chairperson, I think the flexibility has been added to the system whereby each woman is evaluated as she comes in on emotional stability, protection planning and adequate housing. If any one of those, or all of them are missing, in fact there is a request for additional days in shelter.

I do want to say that people, or women, do stay in shelters sometimes more than the 30 days as a result of some of these things not being in place.

I also want to indicate that since I have been the minister, this has not been an issue that has been raised with me by the shelters, the shelter directors. The system that is in place appears to have the flexibility for them to use their judgment and their common sense based on the criteria and the evaluation that they do on admission. If in fact there is a need, that need is met by the shelters.

**Ms. Barrett:** What the minister is saying is that she disagrees with the Pedlar recommendation in this regard.

**Mrs. Mitchelson:** Madam Chairperson, what I am saying is that there is flexibility within the system to ensure that women who need longer lengths of stay will receive that based on the criteria and the evaluation. What I am saying is that, you know, it has not been a concern or an issue that has been raised with me, and there is that flexibility within to ensure that women have an opportunity.

No one is told when they walk in the door that they are here for 10 days and then they are kicked out and gone with no supports in place. I think that evaluation process is done, and the supports are there. If they are not there, that woman stays.

\* (1630)

**Ms. Barrett:** Madam Chair, just a final comment. Pedlar recognizes the flexibility element and states clearly that, yes, women can stay on an individually determined basis, but even given that situation, she also very clearly and concisely says that that is not enough, that the initial allowable stay needs to be expanded.

So I will just state that I think if you did an analysis and said to shelters we are considering expanding the initial allowable stay, do you think that is a good idea, that the response, and I will go out on a very tiny limb here, I think, and say, I believe the response unanimously would be, yes, that is an excellent idea. Obviously the Pedlar recommendation did not come from thin air. It came from the shelter movement; it came from the people who work in the system; and it came, I am sure, from users in the system. So I would suggest very strongly that just because the minister has not received any requests for reconsideration of this does not mean the issue is not alive and well and should not be looked at.

There is another Pedlar recommendation that deals with provision of telephone service to victims of domestic violence, and it states that it is recommended that Manitoba Family Services Income Security implement a policy of including the cost of telephone services as a basic need for victims of domestic violence. I am wondering if the minister can respond to any implementation of this recommendation.

**Mrs. Mitchelson:** Madam Chairperson, when a telephone is identified as a need for safety reasons, it is covered by social allowances.

**Ms. Barrett:** Madam Chairperson, can the minister state what the criteria are for the telephone being seen as a need for safety reasons?

**Mrs. Mitchelson:** Madam Chairperson, it would be on the recommendation of a caregiver that there was a safety issue and a need, and then that would be assessed and provided.

**Ms. Barrett:** Can the minister clarify "caregiver"?

**Mrs. Mitchelson:** Yes, that could be a shelter director or a counsellor. You know, when someone gets a restraining order, it might be a lawyer, or it

might be a doctor that has diagnosed someone as being abused or in need of protection.

**Ms. McCormick:** Madam Chairperson, I have just a couple of questions in this area. I am going to acknowledge that some of this belongs with the Department of Justice in addition to this family dispute aspect. It seems to me that this is one area which represents the most colossal social policy failure that we have in this country, not attributable to this minister or her predecessor, but simply to the attitudinal mindset which continues to perpetuate the belief that if a woman is at risk in her own home it is then society's obligation to rescue her into a shelter. I think this harkens back to the, sort of, man's home is his castle kind of thinking, that we have not even begun to explore the more appropriate ways of protecting and sheltering women from the abuse of their partners.

That being said, I am wondering if the minister could open a dialogue with her colleague in the Department of Justice as to whether any exploration has been done on the electronic technology which is now available to offer protection to women from the encroachment on their safety and on their person by their violent partners. It basically represents a transmitter and a receiver which is worn, one strapped or forced, you know, sort of placed irrevocably on the limb of the person who is the abuser, which in fact sets off a signal on an amulet or whatever worn by the person you are trying to protect from that person. You can set it to a range, so if the person comes within a mile or two miles of the person, then in fact the police simply swoop down and pick him up.

It seems to me that when you look at the escalating costs of sheltering women and protecting them and their children from abuse, it is time to explore some alternatives. I am sure that there is no woman alive who willingly gives up her home and her children's familiar surroundings to go into a shelter if it was not a last desperate act to protect herself and her children.

I think also, from my years in daycare, oftentimes it was we in the daycare centres who were the first people to identify these abusive

situations. You know, little children are not very good at keeping secrets. I can remember the day this little kid came and told me, my dad came home drunk last night and my mom had to sleep in the bathtub. We in other aspects of family services have the same difficulty when we too, if the kid is in a daycare program—the children, not only do they have to give up their home, they also have to give up their friends, their schools, because you have to hide the children from these abusers. I honestly believe that while shelters are a necessary short-run intervention strategy, they are not and never will be a solution to the problem.

I would ask the minister if she has had any dialogue in this direction with the Minister of Justice and if in fact there could not be perhaps a task group struck to look at alternatives, because I think we all acknowledge there is never going to be enough money in the shelter system to adequately protect women.

**Mrs. Mitchelson:** Madam Chairperson, I can certainly open up dialogue with the Minister of Justice around this issue. Clearly, it is a justice issue, but I know it does impact on the women that we provide service to through our shelter system and through other supports that are in place. You know, I guess sentencing in my mind is an issue. What are the consequences, and I am not sure that there should not be stiffer penalties or some ability in fact to protect and make women feel much safer in their community, in their home environment. I agree with the comments that have been made, and I think we can open up dialogue around this issue and see what the Department of Justice might be looking at, if there are any alternatives or if there are any stronger penalties or consequences for wife abuse.

**Ms. McCormick:** Again, I think that often incarceration only follows the violent act and not the threat of the violent act. You know, unless he has actually made good on the threat and done the damage, then it is very unlikely that the person would be subject to incarceration. The other difficulty, of course, is that what you do is you then take a person potentially out of employment, out of the capability to protect his family and make him a charge on the public purse. So I think that there are

reasons to explore other creative alternatives. I am prepared to go by this line now and move onto my last area.

**Madam Chairperson:** Item 4.(e) Family Dispute Services (1) Salaries and Employee Benefits \$303,800—pass; (2) Other Expenditures \$89,400—pass; (3) External Agencies \$5,142,800—pass.

**Resolution 9.4: RESOLVED** that there be granted to Her Majesty a sum not exceeding \$107,883,300 for Family Services, Child and Family Services, for the fiscal year ending the 31st day of March, 1995.

\* (1640)

**Ms. McCormick:** I have some final questions which I had originally raised in Question Period and was asked by the minister to bring them up in the Estimates process. I am interested in knowing, what is the size of the Year of the Family Secretariat in terms of staff years, and also, what is the budget appropriation for this initiative?

**Mrs. Mitchelson:** The full staff component is five term-staff years, and those staff years have been reallocated from departments. There are two from the Department of Family Services, one from the Department of Education, one from the Department of Health, and one from the Department of Government Services for the term of preparation for and implementation of International Year of the Family supports.

Once the year is finished, the office will be dissolved, and those staff years will go back to the contributing departments.

**Ms. McCormick:** So were these O/C appointments or secondments or contracts or term positions?

**Mrs. Mitchelson:** They are all term appointments.

**Ms. McCormick:** Was there a competition for the Year of the Family positions?

**Mrs. Mitchelson:** Madam Chairperson, the director of the secretariat was a direct appointment for the term of International Year of the Family, and once that term is finished that appointment is finished. The other four staff years, administrative support and community officers, went through a

recruitment process internal to Human Resources in the Department of Family Services.

**Ms. McCormick:** So I understand correctly that the only person who would have been brought in from outside would have been the direct appointment of the director and that everyone else was a secondment from another department, so the staff year came with the person.

**Mrs. Mitchelson:** Madam Chairperson, the information I have is that one of the staff was off the re-employment list. Another one was a contract person with another department. I guess that would be a term contract, and two came from outside of government.

**Ms. McCormick:** In my initial question I asked for the budget, and that aspect of the question was not answered.

**Mrs. Mitchelson:** Madam Chairperson, the budget for this year is \$244,000.

**Ms. McCormick:** Thank you.

This is more of a philosophical question. I am interested in knowing what you hope will be the legacy of this initiative. If you could think forward to next year, what would we have to show for this expenditure of a quarter of a million dollars?

I know that last year was the Year of Indigenous People, and we did not set up a secretariat for that purpose. Other jurisdictions, B.C., Alberta, Saskatchewan, Ontario, have established family councils. Prince Edward Island, interestingly, has established a family foundation, using its money to create, I guess, a provincial equivalent to the Vanier Institute for social policy research in the area of the family.

Can the minister indicate what she hopes will be the ongoing legacy of the expenditure of this appropriation?

**Mrs. Mitchelson:** Madam Chairperson, I have to say that just last evening between the hours of 5 p.m. and 7:30 p.m., I had the opportunity to go out to my son's elementary school, where they were having a family picnic, family day, family fun day, and it was officially registered with the International Year of the Family Secretariat. It was an opportunity for many in my community to

participate in an event—major, major volunteer component involving the children, the staff and parents and members of the community in a get-together that was a very positive experience. I think that is happening right throughout Manitoba with very little dollar commitment outside of a few posters, maybe a few balloons and those kinds of things. It just does encourage people to focus on family and family values and what family responsibility is.

I think it is a very positive year in Manitoba, and I think that many Manitobans are participating. When you look at the budget for the year, what we have not done is put additional resources. These are staff years that were within government that were reallocated to focus on Family Year and on trying to empower the community to at least think family, and I think there has been a major volunteer commitment surrounding all of the activities that are going on right throughout the province—very little, you know, to focus on a very important issue and a very important year that does include all Manitobans, because we all have family and family ties of some sort. Although definitions of families have changed somewhat, I think it is a very positive initiative.

I am extremely pleased and proud that this government did take the initiative to focus some of our staff resources around the Year of the Family. I do want to say too that the previous volunteer council has done a wonderful job of bringing together the community and focusing in many different areas on what family means. We will have a legacy of some sort to leave as a result of Family Year, and when that decision is finalized that will be communicated.

\* (1650)

**Ms. McCormick:** Again, I do not intend to sound critical, but I think your answer is really what I am finding very troubling. I have got four kids and I go to picnics every year on my playground, and these activities go on anyway. The difference is this year they go on under the Year of the Family banner and you have to rent the banner, or at least put a deposit on it to make sure you bring it back. What I am concerned about is that a quarter of a million

dollars at this time is a lot of money, and there is a lot of stuff that is going on which would make a meaningful difference in the lives of families.

Now, again, I am just concerned that we will have very little of substance to show for this, and I would like to go on the record as having you consider looking at some of these things that are going on, these social policy-type initiatives, other kinds of strategies that are being taken. Particularly the model I would like you to look at is B.C. and the Quebec model, or if you decide to go the foundation route, the P.E.I. model, as ensuring that at the end of the expenditure of a quarter of a million dollars, we have got more than just a picnic to remember or an event which would have gone on anyway.

That being said, just one other area I would like to question. When we dealt with the Vulnerable Persons' Commissioner you had indicated that there were no staff years assigned to it because these would be picked up from other initiatives. Can you assure me that there is not an intention simply to roll over the Year of the Family office into the Vulnerable Persons' Commissioner's Office?

**Mrs. Mitchelson:** Madam Chairperson, as I indicated, these were not new staff years with new dollars. These were dollars and staff years that were reallocated to place the focus on the family. I make no apologies for that because I think some of the things that are going on in Manitoba have just tied into International Year of the Family, but I think there has been a major heightened awareness. I think we have had community sponsorship, we have had private sector sponsorship of activities, and we have had the media involved in promoting family. I think there is nothing but positive.

So very often, all you read in the paper is the negative news. I think that focus on families is an extremely positive focus. So I make absolutely no apologies for refocusing staff years and those resources that go along with those staff years into International Year of the Family.

I have no way of knowing. I know that two of the staff years are Department of Family Services

staff years, and they will come back to the Department of Family Services. They will be vacant staff years and we will have to determine where our priorities are to use those staff years.

I indicated when we talked about the Vulnerable Persons' Commissioner's Office that they would be staff years that are reallocated from within the department. If those were the only two vacant staff years, I question whether we would want to lay someone off from another staff year so that we could hire a Vulnerable Persons' Commissioner.

So reality is that whatever staff years are available and vacant within the department and not required will be redirected or refocused. I have no idea what the Department of Health will do with that staff year that they get back at the end of the year or the Department of Government Services or the Department of Education.

**Ms. McCormick:** What I am looking for here, I think, is an assurance that the direct appointment that was taken—that direct appointment approach that was taken for the Year of the Family position will not be repeated in the Vulnerable Persons' Commissioner's Office. In fact, yesterday you gave me your assurance that there would be a competition. So I think with that assurance from yesterday, I am ready to let the appropriation go.

**Madam Chairperson:** At this time, I would ask that the minister's staff please leave the Chamber.

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

**Resolution 9.1: RESOLVED** that there be granted to Her Majesty a sum not exceeding \$7,947,600 for Family Services, Administration and Finance, for the fiscal year ending the 31st day of March, 1995.

**Mrs. Mitchelson:** Madam Chairperson, if I could just make one closing comment and say I already had the opportunity to thank the honourable member for Burrows (Mr. Martindale) for his contribution to the Estimates process.

I just would like to say to the member for Osborne (Ms. McCormick), thank you very much for the approach that was taken during the Estimates process in Family Services. I think we had some meaningful dialogue. I know it was your

first opportunity to participate in Estimates in this House, and I think the process has served all of us well.

I look forward to a sharing of some of the information on some community activities that are going on out there that you are aware of. You know, if there is a way that we can work towards bringing an increase in the voluntary commitment to deal with some of the very difficult issues that we have to deal with in Family Services to the forefront, I look forward to working in co-operation. So I thank you very much for the process that we have been through in the last three days.

**Madam Chairperson:** This concludes the Estimates for the Department of Family Services.

The hour being 5 p.m., it is time for private members' hour. Committee rise.

Call in the Speaker.

\* (1700)

#### IN SESSION

#### Committee Report

**Mrs. Louise Dacquay (Chairperson of Committees):** The Committee of Supply has adopted certain resolutions, directs me to report the same and asks leave to sit again.

I move, seconded by the honourable member for Gimli (Mr. Helwer), that the report of the committee be received.

**Motion agreed to.**

#### PRIVATE MEMBERS' BUSINESS

**Mr. Speaker:** The hour being 5 p.m., time for Private Members' Business.

#### PROPOSED RESOLUTIONS

**Mr. Speaker:** I understand we are not proceeding with Bill 207 so we will go straight to Resolutions.

#### Res. 12—Joint Municipal-Provincial Capital Projects

**Mr. Leonard Evans (Brandon East):** I move, seconded by the member for Wellington (Ms. Barrett), that

WHEREAS more than 60,000 Manitobans were unemployed in the first two months of 1994, the highest level of unemployment recorded since the Great Depression; and

WHEREAS there is no indication of a significant improvement in the unemployment rate forecasted for 1994; and

WHEREAS there will be no increase in total capital spending in 1994, according to Statistics Canada; and

WHEREAS the provincial government has failed to take any direct action to fight the recession; and

WHEREAS there is a serious need for improved municipal infrastructure throughout Manitoba, including water and sewer lines, local roads and sidewalks; and

WHEREAS this need is particularly urgent in First Nations communities, and in many rural and northern communities where unemployment is very high; and

WHEREAS the infrastructure program proposed by the new federal government is only a starting point for getting the thousands of unemployed Manitobans back to work and improving the infrastructure in communities across the province; and

WHEREAS it is common sense that a fair dispersal of infrastructure money take into account the different needs of the different regions and communities in our province;

THEREFORE BE IT RESOLVED that the Legislative Assembly of Manitoba urge the provincial government to consider developing a plan for the disbursement of federal infrastructure monies that deals fairly with the needs of communities across Manitoba, including First Nations communities, especially taking into account unemployment rates, the need for solid waste disposal grounds and water treatment facilities; and

BE IT FURTHER RESOLVED that this Assembly urge the provincial government to consider reallocating new funds for capital development and job creation within our province.

**Motion presented.**

**Mr. Leonard Evans:** Mr. Speaker, well, I would be the first to observe that the federal-provincial-municipal monies have been largely disbursed in this current initiative which was started by the Chretien government, and I would congratulate the Chretien government and all the provincial and municipal governments for participating in the program because it is the classic way to fight unemployment.

In fact, it is a way that goes back certainly to the Great Depression of the 1930s, not only in this country but certainly in the United States, Franklin Delano Roosevelt and the New Deal. A key portion of the New Deal was massive infrastructure development and putting millions of Americans to work. We had eventually in Canada our approach to creating jobs by stimulating capital works, and I believe in this province and in the city of Winnipeg you could see many examples, I believe, of some of the works that were put in place because of the federal government's initiative to fight unemployment back in the '30s.

I believe, I stand to be corrected, but I believe the federal government building on south Main was constructed as part of that initiative and perhaps what used to be the auditorium is now the Provincial Archives building. I say, I stand to be corrected, but I believe, if my memory does not fail me, that those were a couple of the very worthwhile projects that were built at that time.

This is the beauty of the capital works approach to combatting unemployment and stimulating the economy, and that is that you get some real assets in place, hopefully real, lasting assets that serve to improve the quality of life in the community and indeed provide a basis for further economic development. We cannot have economic development, some pretty fundamental infrastructure facilities, and we sometimes forget that. We do need good water, we do have to have a good, adequate water supply. We have to have adequate sewage treatment facilities. We have to have adequate roads for transportation of goods and services. We have to have adequate bridges, and so on. This perhaps goes without saying.

Sometimes we easily talk about industrial development without realizing that you cannot have this industrial development, you cannot have economic growth unless there are adequate infrastructure facilities in place.

I would be the first one, also, to recognize that municipalities in this country and in this province are very, very strapped for cash. Everyone is on a tight budget. I know they have many, many worthwhile public works projects that they would like to engage in, whether it be bridges or buildings to house their road cleaning equipment, whether it be for some other municipal facility such as a water treatment plant or a municipal arena or whatever it is. The fact is that the municipalities just do not have the money, so that if a senior government, be it provincial or federal, comes along with an incentive, you will find that many of these municipalities will decide to bring forward the projects that they wanted to get into and probably would eventually go into, but it would be many years down the line in most cases because of the shortage of current funds.

At any rate, this is a classic approach to creating jobs, and I would like to go back to the Schreyer years, and I recall where we had a very excellent program to create jobs and to assist municipalities in Manitoba. It was called the Manitoba Special Municipal Loans Fund, and it was originally introduced in 1972. It went on for a number of years, and it not only provided the employment that we wanted at that time but it also made it possible for many, many municipalities that would not have proceeded otherwise to build recreation centres, to build arenas, to put up bridges, to pave roads and even upgrade senior citizen centres in some cases and other much needed municipal infrastructure. At that time, in the first round of that loans fund, there was about \$14 million allocated. That may not sound like much today, but when you think back that this is over 20 years ago, that \$14 million certainly translates into at least double that if not more than double that, maybe \$30 million, \$35 million, but whatever.

The unique part of it was that it not only addressed, through capital works spending, the question of cyclical unemployment, which is

something which we are trying to cope with in the current federal-provincial-municipal initiative, but it tried to cope with the problem of seasonal unemployment. We do have a lot of seasonal unemployment in this province because of weather conditions. What this program did, this special Municipal Loans Fund, was provide a loan to the municipality. We said we will forgive your labour costs 100 percent if the work was engaged in the winter period and 50 percent if the work was done in the summer period.

So what that did, of course, was encourage a lot of municipalities to engage in activity in the colder months, although that may be difficult in some cases, especially if we get our 40, 45 below weather that we sometimes experience in January, for instance. Nevertheless, many municipalities did proceed in the winter. We did create more jobs in the wintertime on that account, and, of course, the municipalities received this greater benefit. That is one example, and I can talk of another example.

In the Pawley years, we also had a provincial-municipal program, and I think that I would like to see this government consider establishing another separate program.

\* (1710)

The main criticism I have with the initiative that was started with the new federal government is that it is simply not enough when you consider the amount of unemployment in Canada and the amount of money that has been allocated and how many jobs that is going to translate. I do not criticize what is being done. I do not criticize the intention, absolutely not.

If you take it in perspective, unless a federal government in particular was prepared to do more to tackle unemployment, this is totally inadequate. It is the proverbial drop in the bucket. I say that it is worthwhile for this government to consider establishing at some point another provincial-municipal program, ideally to get the federal government in again, ideally to go back to Ottawa and say we would like to do this on an expanded scale. That would be the ideal, but failing that, we should give some consideration to

this. I know there is always the criticism, well, where do we get the money, and we are short, and we are into a big deficit now. We recognize that. I would be the first to recognize that it is the federal government that has the fiscal capacity and the monetary capacity to engage in deficit spending.

I find it a sort of a joke when we talk about rating federal government bonds, because federal government bonds, as long as the Government of Canada owns and controls, as it always will, the Bank of Canada, the Government of Canada will never be in a position of not being able to pay off the interest on its bonds.

People might think that this is an irresponsible statement on my part, but it is not really when I say that during World War II we fought the war in large measure with debt, to some extent with taxation, but a great deal of it was fought with debt, and a good chunk of that debt was directly with the Bank of Canada not selling bonds to the public or to the financial institutions. Sure there were the war bonds, the Savings Bonds, bonds of various denominations to the banks and trust companies and so on, but a good deal of the borrowing was directly to the Bank of Canada.

In fact, by the year 1942, if my memory does not fail me from my research in this, at least a quarter of the federal debt was held directly by the Bank of Canada. The beauty of that is for the federal government, it is interest free, because, by law, the Bank of Canada must turn over all of its profits each year back to the central treasury, so it is virtually interest-free money. That was done in many other countries during World War II, the banks were used to finance.

I think it is regrettable that the federal government does not take the initiative to use that capacity to some extent, to use that capacity to finance more federal-provincial works to put greater stimulus into the Canadian economy and get some value for it—we are getting something for it. Because I am assuming that all of these facilities that we are talking about, the ones that have been approved now, and the ones that could be approved if there was more money are needed, are worthwhile, that will benefit us, that will

stimulate economic growth and will improve the quality of life for our people.

There are other ways to create jobs. There are many fiscal measures the governments can engage in, including a reduction of taxes. Some people suggest, well, let us cut the sales tax in Manitoba and stimulate the economy. The problem with that is there is just too much leakage that would occur from that kind of a measure. In other words, even though people perhaps might be stimulated to spend a bit more, that is a very indirect way of creating jobs, and we might stimulate work outside of the province, because a great deal of what we consume is imported into the province. So that measure, in my judgment, is not as good as a direct job-creation approach, which capital spending by government indeed is.

The direct job-creation approach that I am suggesting in these kinds of programs put people to work directly with little delay, especially if the projects are waiting there on the shelves, and they are in the case of many municipalities. They certainly can reduce the cost of social assistance. So to that extent, that should be taken into account, less welfare paid out, and some other transfer payments from the federal point of view, probably a reduction in UI payments that has to go, that is paid out when there is unemployment.

So generally speaking, we are putting money in the pockets of people who presumably and hopefully will be spending it, and therefore, through enhanced consumption, stimulating the business sector, stimulating the economy in general. I say that the greatest tragedy—well, there are many tragedies in unemployment, Mr. Speaker. There are many personal tragedies caused by unemployment, the loss of self-esteem, the sociological problems that occur, the psychological problems that occur, but they relate also to sociological problems, the enhancement, unfortunately, of family abuse. You know, one way to tackle family abuse is to provide full employment, provide jobs for everyone. I think that would have a direct bearing on the reduction of family abuse and abuse of all types.

From an economic point of view, we are all losing, because instead of using the resources of men and women who are capable of working, instead of using their talents, their energies, we have wasted them. If you have 10 percent unemployment, or 12 percent or whatever percentage you have, that percentage of the labour force is that percentage that is not being productive, and we are losing for it. The problem is we lose it. It is lost in time, and you can never recapture it. It is gone. You can never go back and capture what could have been produced by those people working in whatever capacity.

So, Mr. Speaker, I see my time is up, so I simply take this opportunity in this resolution to say we have no problem with the intent of the federal-provincial-municipal infrastructure program. Our criticism is that it is not enough, and our positive suggestion is that this government should consider enhancing this type of approach. If they cannot get further federal contributions, I think the Minister of Finance should be going after his counterpart in Ottawa suggesting another round, especially come this fall when winter is coming up, if something could be done, but failing that, to consider seriously some kind of an incentive to municipalities which I know would be participating in another initiative if this government would have seen fit to engage in it.

Mr. Speaker, I have lots more I could say on the matter, but I think my time is up. I anticipate members opposite may want to respond to this. I put it forward, however, in a positive way, and hopefully we can give it the due consideration that it deserves.

**Hon. Eric Stefanson (Minister of Finance):** Mr. Speaker, I have to start by indicating that I am somewhat surprised by this resolution from the member for Brandon East (Mr. Leonard Evans) and would have thought that he might almost have withdrawn it, that this might be a resolution that was prepared in advance of our budget and in advance of the many announcements around the infrastructure program here in Manitoba.

I want to come back to some of the WHEREAS clauses that he has in the resolution, but very

quickly, speaking to the two RESOLVED clauses. I look at what he is recommending in the RESOLVED clauses. The first one talks about dealing fairly.

I think he is well aware of the extensive consultation that has gone on with municipal levels of government. We have a Rural Advisory Committee that has representation from the Union of Manitoba Municipalities and the Manitoba Association of Urban Municipalities. We have done extensive consultation with the City of Winnipeg. We have struck a balance in terms of allocating \$120 million—\$60 million of that to rural Manitoba; \$60 million to the City of Winnipeg—for traditional water, sewer, municipal projects, and we have also set aside an amount for strategic initiatives, to cover initiatives such as rural gasification, distance education and so on. So in terms of his RESOLVED clause talking about dealing fairly, I would suggest that Manitoba has led the way in terms of the kind of approach we are utilizing here in our province.

I know that we have had contact from other provinces. We now have other provinces that are modelling the Manitoba approach. One good example is our neighbouring province Saskatchewan that is now following the model that we put in place here in Manitoba, so I think that RESOLVED clause has and is being addressed.

His second RESOLVED clause talks about reallocating new funds for capital development and job creation within our province. I think the member for Brandon East (Mr. Leonard Evans) is well aware that when we introduced the budget, we indicated that our \$24-million allocation to the infrastructure program is in fact new money. It is money coming from accumulated surpluses within Lotteries, and we are not drawing down on our Highways budget or other budgets within departments.

\* (1720)

We have done exactly what the RESOLVED clause is saying. We recognize the opportunity under the infrastructure program, and we have in fact put new money forward. So I when I look at both of the RESOLVED clauses from the member

for Brandon East, I can only come to the conclusion that this was a resolution done many weeks ago, before he has had the benefit of seeing our budget, before seeing our infrastructure announcements. Therefore, I think that in many respects what he is suggesting here is already in fact being accomplished, Mr. Speaker.

I do want to touch briefly on some of his WHEREAS clauses, because they do cause me some concern in terms of the message that they are conveying and some of the information that might be somewhat outdated.

He talks about employment and unemployment rates in Manitoba, Mr. Speaker, and I just want to remind the member for Brandon East and all members in this Chamber that employment in April of this year, as an example, jumped by some 7,000 persons here in Manitoba. The growth rate was some 1.4 percent, which was the second highest amongst all provinces in Canada. According to Statistics Canada, Manitoba's economy has in fact created 10,000 jobs since January alone of this year.

Probably more important than that, because we always can look at jobs, and I know the member for Brandon East (Mr. Leonard Evans) and I have done this on various occasions, where he will pick a given point in time and I will pick a given point in time, but to look at job creation over a slightly longer period, if you go back to May of 1993, the jobs are now up in Manitoba by 17,000 as of April 1994. That is a growth rate of 3.5 percent, which is the fourth best in all of Canada, and it is more than twice the national average of 1.6 percent over the same period. So his WHEREAS clause that deals with jobs, I am indicating the significant job creation and job growth that has occurred in Manitoba over the last year here in our province.

In fact, much of Manitoba's current growth has in fact been in full-time jobs. There were 398,000 Manitobans working full time in April 1994, which is 16,000 more than during the same month last year. That, Mr. Speaker, is a gain of 4.2 percent, the highest in all of Canada, and six times the national growth rate, which was only 0.7 percent.

When you look at 1993, Mr. Speaker, Manitoba's total employment throughout that year was 490,000 persons, and that was 6,000 higher than in 1992. Once again, our growth rate in '93 was 1.2 percent, which was the third best in all of Canada in matching the national average. Again, according to Statistics Canada, those 6,000 new jobs were all in the private sector, and furthermore, 5,000 of them were full-time positions. So that gives some indication of the kinds of jobs that are occurring and being created here in our fine province.

He also did touch on the unemployment rate, and I want to indicate that our seasonally adjusted unemployment rate was in fact 9.5 percent in April of 1994. It is still too high in many of our opinions and many of our views but the third lowest in all of Canada, and it was down from the month before, in March, which was at 9.6 percent. So once again, while I think all across Canada we find unacceptable unemployment rates, our unemployment rate here in Manitoba has consistently been second or third on average in terms of overall unemployment rate. So once again, in terms of dealing with his WHEREAS clauses, I think that provides an accurate picture of where we are today, Mr. Speaker, and it also puts it in a relative sense of how Manitoba is faring in relationship to other parts of Canada.

Part of one of the WHEREAS clauses deals with capital spending, and the clause is certainly partly correct, but it does not again tell the whole story. The total capital investment in Manitoba is in fact forecasted to be some \$3.4 billion, unchanged from last year, but the 1994 forecast does not reflect the \$75 million to \$100 million out of the \$205 million infrastructure program that is going to be spent during this year. So if you were to factor that in, that is obviously a significant increase in terms of capital investment here in our province.

It should be noted, I think, that Manitoba has outperformed the national average in terms of capital investment in three out of the last five years. Even without the infrastructure investment, Manitoba's growth rate for the last two years is expected to be about fifth in all of Canada—so,

again, certainly reasonable capital investment numbers in our province and going to be enhanced through our contribution to the infrastructure program.

Again, one of the WHEREAS clauses talks about initiatives to fight the recession, and time today does not allow enough time for me to outline all of the kinds of initiatives that we have taken to in fact fight the recession by enhancing the competitiveness here in Manitoba for Manitoba businesses to continue to thrive and create jobs in our province through our capital budgets that have consistently as a government—as the member for Brandon East (Mr. Leonard Evans) knows, our capital expenditures as a government have consistently been the highest on record in the history of Manitoba. In fact, our capital expenditures this year at a net of \$314 million is the all-time highest capital expenditure by any provincial government in the history of Manitoba. So, again, those are some of the kinds of commitments.

We have been a supporter of the strategic highway initiative program that we contribute to in conjunction with the federal government, and I think, as the member for Brandon East well knows, we as a province have consistently been a proponent, as he has, of a national infrastructure program, that we have said all along that we support a national infrastructure program. We recognize what it does to our economic base, and we also recognize what it does for job creation. So when the federal government finally came on board we, as a provincial government, were in a position to act very quickly and that was why we were the first provincial government. The first day that agreements were signed in all of Canada, we were one of the first provinces to sign, and we to date have the most significant allocation under the infrastructure program of all provinces in Canada.

We have allocated some \$160 million out of the \$205 million program. So we were very quick to get off the mark because of the kind of support that we have continually given to a national infrastructure program. So as much as we give credit to the federal government for being supportive of it and being a partner in it, it

certainly was an initiative that we have supported continually, Mr. Speaker, over many years.

Many initiatives in our budget deal with some of the issues that are touched on in the WHEREAS clause, initiatives that again, the member is well aware. Some of the initiatives, I will touch on very quickly, will create as many as 4,500 jobs over approximately the next year. These include initiatives like the Manitoba Home Renovation Program and the sales tax rebate for first-time home buyers, the introduction of the Community Places Program, the Winnipeg Development Agreement, the Small Business Expansion Fund and the Canada-Manitoba Infrastructure Works Agreement. Those programs alone are expected to create some 4,500 to 5,000 jobs.

(Mr. Marcel Laurendeau, Acting Speaker, in the Chair)

Again, we are very proud of what we have been able to continually do in terms of creating the kind of environment that will encourage private sector expansion. Again, without going through all of the details of the budget that we tabled: the manufacturing investment tax credit was extended for another year; sales tax on electricity used for mining and manufacturing will be phased out; the capital tax exemption for small businesses in our province was doubled to \$2 million; the small business income tax rate was cut; the mining investment tax credit was introduced; the processing allowance for mining taxes was doubled. These measures will accelerate the recovery which is already underway and will certainly help to preserve and to create thousands of long-term wealth-creating jobs in the private sector.

I touched on our capital expenditures of a net \$314 million, and if you combine that with our Crown corporations, we are going to have expenditures in capital asset development of in excess of \$1 billion in our province during 1994-95, once again, very significant, creating tens of thousands of jobs all across our fine province. There is no doubt that our administration has and continues to make job creation one of our absolute top priorities.

Unlike the previous administration, Mr. Acting Speaker, which saddled Manitobans with unprecedented taxation and public debt increases, our administration recognizes that fiscal responsibility and economic responsibility do in fact go hand and hand, and consequently that has worked to create a very competitive and a very positive business climate.

The 1994 budget represented the seventh budget without any increases in major tax rates here in our province. Manitoba is the only province that has seen its government introduce and stick to a tax freeze for seven consecutive years.

Some other statistics, real manufacturing investment: In each of the six years of our government that we have been in office was better than for any other year of the previous administration. Industrial research and development has more than doubled in the four years ending in 1991 setting a foundation for new products, new processes and new jobs into the future.

So with all that in mind, with the concerns I have expressed about the WHEREAS clauses introduced by the member for Brandon East, (Mr. Leonard Evans) what I feel has some inaccuracy and some outdated information in the WHEREAS clauses, and again, with the comments that I made about the RESOLVED clauses, I feel I have to introduce an amendment, and I would move, seconded by the member for Turtle Mountain (Mr. Rose),

That Resolution 12 be amended by deleting all of the words following the first WHEREAS and replacing them with the following:

WHEREAS the government of Manitoba has consistently made job creation its highest priority since 1988; and

WHEREAS Manitoba has recorded the highest levels of employment in the history of Manitoba during the present administration's term of office; and

WHEREAS the government of Manitoba has worked hard and effectively at creating a positive climate for private sector investment and job creation during the last six years; and

WHEREAS the government of Manitoba has exhibited fiscal responsibility since 1988, controlling deficits and debt, and reducing taxes; and

WHEREAS signs that investors are increasingly regarding Manitoba as "the place to be" are appearing almost daily; and

\* (1730)

WHEREAS the 1994 Manitoba budget demonstrated an unprecedented commitment to balanced job creation through both the public and private sectors.

THEREFORE BE IT RESOLVED that the Legislative Assembly of Manitoba commend the government for its commitment and diligent work to create and maintain jobs in Manitoba; and

BE IT FURTHER RESOLVED that the Legislative Assembly of Manitoba express its support for the measures introduced and maintained in the 1994 Budget Address.

I would hope all members of the Assembly will support that amendment.

Motion presented.

**The Acting Speaker (Mr. Laurendeau):** The amendment is in order.

**Mr. Kevin Lamoureux (Inkster):** Mr. Acting Speaker, it is a pleasure that I can stand up and put on the record a few words and concerns that I have with both the amendment and in fact the resolution itself.

I found the amendment most interesting in terms of some of the comments that are being made, especially the comment that this is a government that has been concerned about jobs and job creation for the last six years. In fact, I think that the closest thing to a job creation budget that I have seen is in fact this budget, the budget that this Minister of Finance (Mr. Stefanson) has introduced, and I think that was one of the most significant positive changes within the cabinet in the sense that now we have a Minister of Finance that is prepared to take on the whole concept of job creation. I would have liked personally to have seen that sort of an attitude in terms of at least an attempt to create jobs back in the years in which

there was a bit higher level of unemployment when we were going into the recession to try to soften the blow.

Mr. Acting Speaker, I look at it, unemployment, quite simply and that is that if you are during a recession, if you are in fact unemployed, it is not a recession, it is a depression. No one really gains a real appreciation of that unless you are actually living through it or you have a very close friend or family member that is having very tough economic times and you might be able to at least empathize a bit better. But unless you are unemployed during a recession, and especially if you are lacking in some skills, it is a very depressing fact and what you are really looking for is for governments at all levels to provide some hope that in fact government is doing and is prepared to do whatever it can to try to in some cases restrain, in some cases provide job creation. In the first six budgets that I saw, there was little evidence of that job creation, retraining attitude. It was more of that trickle-down, invisible-hand theory that the former Minister of Finance had.

Then, Mr. Acting Speaker, if we take a look at this particular budget, the budget that this Minister of Finance (Mr. Stefanson) has brought in, you will see a major platform of this budget is the infrastructure program, and they are using the infrastructure program as the job creation that is long overdue—

**An Honourable Member:** What is wrong with that?

**Mr. Lamoureux:** The Deputy Premier says, well, what is wrong with that? There is nothing wrong with that, Mr. Acting Speaker. I was very glad to see that the infrastructure program got off the ground, but it never would have gotten off the ground had it not been for the federal government changing from Conservative to Liberal, because it was the Liberal federal government that really and truly provided the initiative to get the infrastructure, job creation programs into place.

In fact, I can recall commercials where we saw wheelbarrows of money being dumped into ditches saying that infrastructure funding is not the way to go. Mr. Acting Speaker, I believe the

government here was, in fact, campaigning for Kim Campbell and her team of Tories that were criticizing the infrastructure program.

But, Mr. Acting Speaker, one should not be overcritical of that, because the government has seen the wrongs and has decided that the infrastructure is a worthwhile program, so worthwhile that they are not only co-operating with the federal government on this particular initiative, but they are even trying to say that this is indeed all our idea, and we want to make it not only a major platform in the budget but a major platform in the throne speech.

But what somewhat scares me is the amendment. The amendment says, and it was just handed to me, but it basically, in essence, through what the Minister of Finance was saying, is that this is the government that has been dealing with job creation for the past six years. The resolution deals specifically with the infrastructure program.

\* (1740)

Mr. Acting Speaker, that has not been the case. This government has not been dealing with job creation in any serious fashion since it has taken office, with the one exception of the infrastructure program. That particular program, as I say, is not an initiative that they themselves led.

It also makes reference in the amendments to statistics and, Mr. Acting Speaker, depending on the month, one could argue which stats you are going to be pulling out, that Manitoba is doing good or Manitoba is doing bad. But if you look at it from the year in which this government took office to the year that we are currently in, you will see that in fact there is a decrease in overall employment.

**An Honourable Member:** No, that is not true.

**Mr. Lamoureux:** Well, Mr. Acting Speaker, I do believe that as the member for Brandon East (Mr. Leonard Evans) points out and I have seen myself—at least the numbers I have seen—that there are in fact fewer people who are working in 1993 in the province of Manitoba. [interjection] Well, not many fewer, there are still fewer, to the Deputy Premier.

I will look at the diversity of the economy, the manufacturing industry in particular, that we had 61,000 jobs in manufacturing and that has dropped substantially. I think that we have to look in terms of what sort of jobs are coming to Manitoba, the type of jobs that are being created. I am very concerned in terms of the manufacturing sector, in particular, and I would like to see government taking a more proactive approach at those sorts of jobs. [interjection] The Minister responsible for MTS, Mr. Acting Speaker, said to talk about Ontario. I could probably give a quite lengthy speech about the problems in Ontario, but I am going to resist the Ontario speech.

The minister talks about the leader's comments with respect to the jobs in Selkirk that are being proposed from an individual. I believe if you go over the record, what the Leader of the Liberal Party (Mr. Edwards) was saying is that, look, this government is endorsing an individual who is saying that we are going to be providing 600 jobs to the town of Selkirk. Mr. Acting Speaker, the government passes an Order-in-Council in which it is saying, at least in part, if you meet these conditions that you will be receiving government assistance.

So this particular individual then has an official government document in which they can go and say, look, we can use this document in order to give that individual credibility in trying to secure investment. Well, Mr. Acting Speaker, I think that there is a responsibility of government to ensure the credibility of the individuals who they might be endorsing. I think that there were some valid concerns raised when thousands of jobs were promised to the province of Saskatchewan through that very same individual, and other provinces had some very strong reservations about this particular individual and some of the commitments that they were making, but the government itself—at least on paper—appears to be endorsing. They should be, in fact, looking in terms of what it is that they are endorsing.

The Liberal Party was extremely critical of the government building up false expectations for the people that live in the town of Selkirk. It was unfortunate that we saw the government try to

portray, along with the member for Selkirk (Mr. Dewar) and the New Democrats, the Liberal Party as opposing jobs to the town of Selkirk.

Mr. Acting Speaker, I can assure all members of this Chamber that the Liberal Party's position is very strong. The first priority of the Liberal Party has been job creation. The Liberal Party will do what it can to ensure that jobs are being created in the province of Manitoba, but we are not going to continue to support a government that is trying to build a perception and nothing more than a perception of expectations that are not necessarily going to—

**Hon. Darren Praznik (Minister of Labour):** Mr. Acting Speaker, would the member accept a question?

**The Acting Speaker (Mr. Laurendeau):** Order, please. The honourable Minister of Labour, on a point of order?

**Mr. Praznik:** No. I am asking if the member would accept a question.

**Mr. Lamoureux:** Mr. Acting Speaker, if the will of the House was to grant leave for the minister to ask me a question, I would be more than happy to answer it for him. I do have a few more things I would like to say on the record, as long it does not count on my time.

**The Acting Speaker (Mr. Laurendeau):** Leave is not required if the honourable member is willing to take the question.

**Mr. Praznik:** Mr. Acting Speaker, my question is for the member and his speech. We stood in this House and we listened to the Leader of his party clearly indicating that it was the policy of the Liberal Party that government should not be providing loans to business.

I ask the honourable member, if that is the case, then this House can clearly take it and the people of my constituency can clearly take it that the Liberal Party opposed the loan that was made to the Pine Falls paper company to save the almost 800 jobs in Pine Falls, or is the member telling me that his party has again reversed its position?

**Mr. Lamoureux:** Mr. Acting Speaker, I think that if you review Hansard the Leader of the Liberal

Party, from what I recall, was citing what the chamber of commerce—the chamber of commerce is an organization which the Conservatives like to follow—and was pointing out what the chamber of commerce has said time and time again and really trying to draw the inference that, look, this is a government, as I pointed out earlier, that is prepared to do whatever it can to build up false expectations and trying to bring forward to the Chamber some arguments as to why it is that what the government is doing is wrong. As I say, the resolution in itself, albeit there are some concerns that we have, is not something that we are overly concerned with.

There are some numbers that we might question on it. It might be somewhat dated. I think that there are some valid concerns with respect, in particular, to the aboriginal community in the infrastructure program, but it would be nice to see a list of priorities in terms of what maybe the NDP caucus, how they would like to see that money distributed. I like to believe that the current infrastructure program was done on a consultation basis, which would have factored in all the different communities scattered throughout the province. We have local municipalities, we have the national government, we have the provincial government, and through the provincial government's members of the Chamber hopefully that are being able to have input in terms of some of the decisions, in terms of the projects.

If in fact there are projects that are out there, there is somewhat of an onus of responsibility for us to bring it forward, and I trust that the provincial government and the national government are, in fact, working in a co-operative manner with the aboriginal community because they too, Mr. Acting Speaker, also need infrastructure work in their areas.

But having said those few words, I do appreciate the opportunity to stand and speak, and I would like to make it clear that we would not, in fact, support this resolution, I mean the amended portion of the resolution or this amendment, Mr. Acting Speaker, for a number of the reasons that I have pointed out. That is not even touching the surface of the so-called taxes, that they are not

increasing, because there are, in fact, taxes that they are increasing.

**Mr. George Hickes (Point Douglas):** Mr. Acting Speaker, I welcome the opportunity to put a few comments on the record, because when I was looking at the first resolution, one of the WHEREAS was that this is a need of particular urgency in First Nations communities and many rural and northern communities where unemployment is very high. When I look at the amendment I look for the word "North," I look for the word "aboriginal," I cannot see it anywhere here.

\* (1750)

So I do not know if the government has just given up on aboriginal people and northern people or if it is just a mistake by whoever drafted this amendment, or the government has realized that they have done absolutely nothing for aborigines and northern communities.

Most of the people I have spoken to in Point Douglas and people from the North, they want work, they want an opportunity to be employed, and they want to get off welfare and they want to work. All you have to do is look at the real urgency and the need in northern Manitoba where if you look at some of the communities that have an unemployment rate of anywhere from 90 to 95 percent, and you look at some of the southern communities where the unemployment is only 4 percent, well, where should the government's priorities be? It does not take a rocket scientist to figure that out.

If you are going to create work, you should be creating employment opportunities where the highest needs are. With this amendment, to a very good resolution, it fails to address that.

If you just look at one community in particular in northern Manitoba, it is a community called Bloodvein. Under the last federal Conservative government, under their green plan, they were given X millions of dollars to put in sewer and water. If you look at the buildings that are hooked up to the sewer and water, it is the same buildings that had sewer and water previously.

In the government's wisdom, what they did was they installed sewer and water, and the hookup to the houses, some of it is only about from here to where you are, Mr. Acting Speaker. Yet they are sitting blanketed off. Why? Because when they brought forward the dollars to bring in sewer and water for Bloodvein they forgot that you need money to refit the houses and put in plumbing so you could hook up to the lines. So that is still sitting there.

**An Honourable Member:** That is a federal government responsibility.

**Mr. Hickes:** Well, it is easy to say it is a federal government responsibility, but that was under the Conservative green plan that under this agreement there was a chance to right some of the wrongs.

**An Honourable Member:** It is a federal government responsibility.

**Mr. Hickes:** It is easy to say it is a federal responsibility.

**An Honourable Member:** It is.

**Mr. Hickes:** Another example I will give you is the community of Gods River. I will give you the example that it is a provincial responsibility, not a federal responsibility. You have an airport in Gods River that there are no lights and they have taken out the traffic controllers out of those communities. They have no lights and the planes come in to land, and the community has to cross the airport to get from the community to their fishing camp, which is owned and operated by the local band.

They have been asking for a road built around the airport so they do not have to cross the airport because it is very, very dangerous, because they get three or four planes a day there. They do not know when the tourists are coming in, because they have a beautiful lodge there. They do a lot of lake trout fishing, and pickerel fishing, and jackfish, and it is an accident waiting to happen. That is a provincial responsibility. They have been asking for help.

We have a new Minister of Northern Affairs. At least under the old one, the communities had hope. They had hope.

**An Honourable Member:** I am sure they have hope under the new one.

**Mr. Hickes:** Well, we need some action. I hope the people will rethink the government's commitment to northern Manitoba and aboriginal people and give the people some hope, because here is a perfect example. Like, what is more important, saving a few dollars or saving people's lives? I think saving people's lives has to be No. 1.

Then we go on. You look at the road from Thompson to Leaf Rapids. [interjection] Well, you have a Highways budget. You have a Northern Affairs budget. There are budgets all over the government. Now, why not look at a way of pooling them together to try—and situations that are of immediate need, of immediate need.

Like, for example, you are spending millions of dollars to twin a highway to the border of Emerson. Now, they already have a road there. How many lives are in danger so exports, so the mighty dollar now becomes more important than human lives. Is that what you are stating here? How many communities in southern Manitoba would put up with that kind of nonsense?

How many communities have to cross a highway, I mean an airport, where there are planes coming and going, have to cross an airport to try and get to their employment opportunities, to try and employ the community people? You go to the community, you have got 90, 95 percent of the people out of work. These are important jobs. [interjection]

Well, it only started since they built that new lodge there. [interjection] Well, I am not exactly sure, but it is a need that is there right now.

Also, if you look at spaceport, they want to get a spaceport going in Churchill. That will create, the construction phase will create 400 jobs. Why were not some of those infrastructure dollars committed to that community to try and help them get it going? They were trying to use—[interjection] You can argue—you know, that is the whole trouble.

The Minister of Northern Affairs and Native Affairs (Mr. Praznik), that is the whole trouble, instead of going up there and listening to the

community, hearing the community's needs, and trying to assist the communities to develop and implement some employment opportunities, always trying to justify why we cannot. It is easy to say why we cannot.

They asked this government for \$60,000 how many years ago? Have they ever received that? Have they ever received that? And then the community had the ministers come up there and bring this Russian deal together. They had a big press conference. Whatever happened with that? I do not know. [interjection] Oh, I have; don't worry. Then we also have the communities. The road going from Thompson to Leaf Rapids, that needs a lot of work. It is still gravel. There have been how many deaths so far on that road, people going to Nelson House? That is a real priority.

(Mr. Speaker in the Chair)

So there are lots of different ways that infrastructure dollars, which is cost-shared dollars, could have been utilized to help northern Manitoba where, to me, they really, really need jobs, because the unemployment in some of those communities is so high.

We have not even tried to address any of those needs. [interjection] The government has a say in that too. It is a cost-shared project. You do not discriminate. Well, figure out how many dollars were built in southern Manitoba and how much was spent in northern Manitoba; calculate that. [interjection] Yes, do that. Calculate how many dollars, and you go to some of the communities that you have 90 to 95 percent of the people unemployed that want to get off welfare. What has this government done in the six years of power to create job opportunities? Not too much.

So these communities, for instance, under the resolution the government says, well, we have kept taxes down. The Finance minister made that statement, we have kept taxes down. But if you look at the amount of dollars that were spent on offloading, and a prime example was just a couple of weeks ago, and, of course, it was I guess partly to blame with the federal Liberals when their rent increases went up from 25 percent to 27 percent, so a lot of people had to now pay additional rent. You are talking about people that are in public housing, a lot of the seniors, and then on top of that, what does the government do? It wants to claw back the property tax rebate.

So now where they never in the past had to pay a portion, where had to pay 27 percent of their property tax bill, so when you look at—what is that? [interjection] They have never been charged rent on that portion of the property tax rebate, they have never been until now, this is the first time ever. So who are you picking on? You are picking on seniors, right, No. 1 off the list is seniors, and then you are picking on the people of Manitoba that rent public housing. Who is that? That is usually your working poor or very poor, that is who you are targeting.

How many middle-class and upper-income people do you know rent houses from MHRC? Do you know a lot of them? [interjection] I do not know that.

**Mr. Speaker:** Order, please. When this matter is again before the House, the honourable member for Point Douglas will have five minutes remaining.

The hour being 6 p.m., this House is adjourned and stands adjourned until 10 a.m. tomorrow (Friday).

# LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, May 26, 1994

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