



**First Session - Thirty-Sixth Legislature**

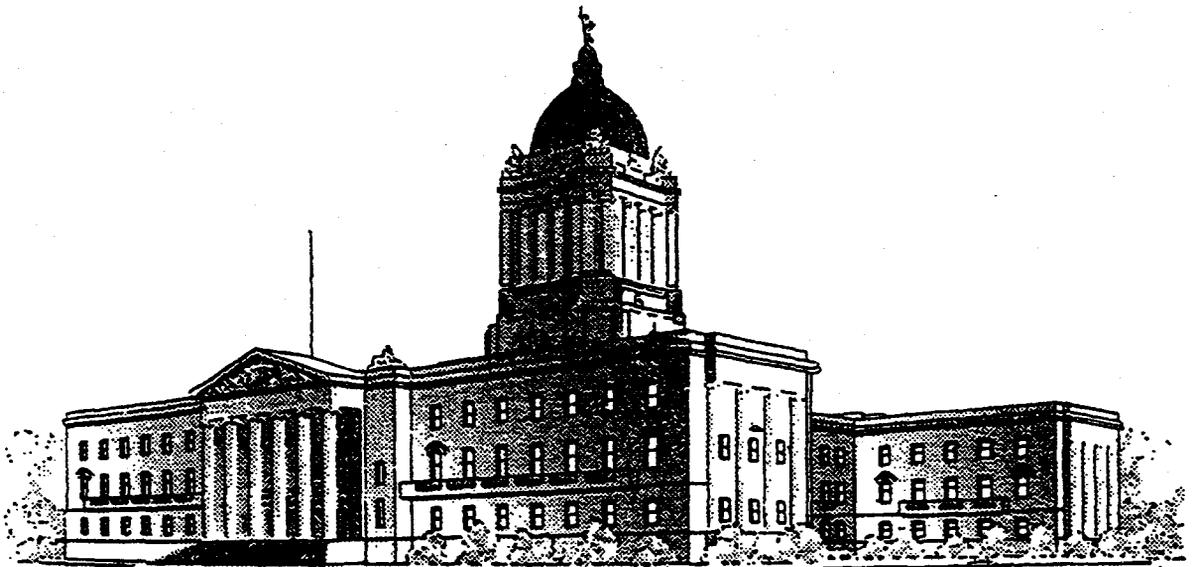
**of the**

**Legislative Assembly of Manitoba**

**DEBATES  
and  
PROCEEDINGS**

**(Hansard)**

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The Honourable Louise M. Dacquay  
Speaker*



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

**Members, Constituencies and Political Affiliation**

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

## LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, June 7, 1995

The House met at 1:30 p.m.

### PRAYERS

### ROUTINE PROCEEDINGS

### PRESENTING REPORTS BY STANDING AND SPECIAL COMMITTEES

#### Committee of Supply

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

I move, seconded by the honourable member for Sturgeon Creek (Mr. McAlpine), that the report of the committee be received.

**Motion agreed to.**

### TABLING OF REPORTS

**Hon. Vic Toews (Minister of Labour):** Madam Speaker, I have the pleasure of tabling both the Annual Report of the Manitoba Labour Board 1993-94, as well as the Civil Service Commission Supplementary Expenditure Estimates.

**Hon. Glen Cummings (Minister of Environment):** Madam Speaker, it is my pleasure to table the State of the Environment Report for Manitoba.

\* (1335)

### Introduction of Guests

**Madam Speaker:** Prior to Oral Questions, I would like to draw the attention of all honourable members to the gallery, where we have seated in the public gallery from Robertson School seventy-five Grades 4 and 5 students under the direction of Mrs. Marianne Shore. This school is located in the constituency of the honourable member for Burrows (Mr. Martindale).

Also, we have fifty-five Grade 5 students from J.R. Walkoff School under the direction of Miss Linda Bergen. This school is located in the constituency of the honourable member for Pembina (Mr. Dyck), and there are twenty-five Grade 4 students from Strathcona School under the direction of Miss Wilson. This school is located in the constituency of the honourable member for Burrows (Mr. Martindale).

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

### ORAL QUESTION PERIOD

#### Federal Transfer Payments Reduction

**Mr. Gary Doer (Leader of the Opposition):** Madam Speaker, unfortunately, yesterday, the federal government passed the bill that both changes the vision of the way Canada operates and reduces the funds to provinces in vital programs dealing with health, post-secondary education and social transfers, a vision that turns this country into 10 separate jurisdictions and provinces and territories.

Madam Speaker, this also reduces the provincial government's share of funding by some \$247 million over the next couple of years.

Before the election, Madam Speaker, we asked the Premier what he was going to do about this, and he said in Hansard and in this Legislature that he would try to get the Liberals to change their mind, and he would try to get the Liberals to support the provincial government in getting the money out of a so-called slush fund that the federal Liberals have created, so that we would not have a shortfall of \$87 million next year, and we would not have a shortfall of \$247 million by the time this reduction takes place.

I would like to ask the Premier whether he has been successful in reinstating that money, as he committed himself to try to do before the election.

**Hon. Gary Filmon (Premier):** Regrettably, Madam Speaker, we have no commitments from the federal government for additional funding or for a greater share of the transitional funding in recognition of some key issues that we have to deal with here, with concerns that we have about many areas of social services.

But I can say this. This government will continue to make health care its greatest priority. In fact, by spending almost 34 percent of our entire provincial expenditures on health care, we are the province that devotes the highest proportion of its budget to health care of any province in Canada.

We will continue to keep those priorities before us as we make our decisions, but it is regrettable that the transfers from Ottawa are going to make it more and more difficult for us to achieve all of the kinds of programming and services that we want to.

**Mr. Doer:** Madam Speaker, both the Premier and the Minister of Finance (Mr. Stefanson) indicated that they would put a total effort into getting the federal government to reverse its position, that they would meet with the federal government. They would do everything possible to get the federal government to change its mind.

I would like to ask the Premier of the province, the Minister of Federal-Provincial Relations, why the provincial government felt it was a priority to send two ministers to deal with the federal government changes in C-68, and why the provincial government could not find the effort and priority to send one minister to oppose the bill that would introduce these massive cuts in health, post-secondary education and social services here in the province of Manitoba, Madam Speaker.

**Mr. Filmon:** Madam Speaker, we have let it be known very clearly that we are opposed to the massive cuts that have taken place in federal transfers to this province.

We have let it be known at many different forums, on many different occasions, publicly in the media and in every other way, that we oppose these reductions in transfers to the programs that serve the most vulnerable people and the areas that are considered to be the

highest priority by most people in our province, health, education, family services.

These are the areas of service that we have continued to increase as a proportion of our provincial budget and to increase in the totality of our spending. In fact, 90 percent of all new program dollars that we have spent in this province during the period that we have been in office have gone to health, education and family services, Madam Speaker.

We certainly do not believe that the federal approach to this is right, and we have spared no effort to make our views known.

\* (1340)

**Mr. Doer:** Madam Speaker, we are very disappointed on this side that when the government talked a good line before the election and in this House in their own budget and when they had an opportunity to show up to the federal parliamentary committee and put their position clearly on the record, they chose to do so on Bill C-68, which was consistent with their public position, but on Bill C-76 they did not show up, which is absolutely inconsistent with their position publicly.

I would like to ask the Premier, is it possible that we did not have the time and energy to stand up for health, post-secondary education and social services because the Minister of Finance (Mr. Stefanson) and others were so tied up wheeling and dealing on the Winnipeg Jets that they could not stand up for health and post-secondary education here in Manitoba.

**Mr. Filmon:** Madam Speaker, not only have we written ministers, this government written to their counterparts in Ottawa and urged them, at the highest levels, to reverse this decision they have made, to consider the needs of Manitoba with respect to these services that are so vital to Manitobans, we, of course, as a provincial government, as well, have ensured that these particular topics are on the agenda for the western Premiers' conference, for the annual Premiers' conference. They are the major topic of discussion.

These are the things that we have done. I recall that when the Pawley government was faced with the same

dilemma, they hired the member for Crescentwood (Mr. Sale) and set up a huge bureaucracy that was called the Fair Share Office and achieved absolutely nothing except that they spent more money of the taxpayers for a bureaucrat, who then could be a political activist for them, and they achieved zero for the public, and they cost the taxpayers more money. That is their approach, and we reject that approach.

### Home Care Program Funding Levels

**Mr. Dave Chomiak (Kildonan):** Madam Speaker, it is very hard to attach a lot of credibility to the Premier's (Mr. Filmon) statements about protecting health care, when the legacy of this government in health care is cuts and slashes. Madam Speaker, yesterday in the House, the minister indicated for the Premier that last year they had inflated, before the election, the number of personal care home beds in the province.

My question to the Premier or the minister today is, can the minister explain why last year in his own documents they pledged to spend \$52,252,000 on direct service for home care, and this year they have cut that budget by \$1.7 million and what effect that will have on home care in this province, given their platitudes earlier and the comments of this Premier.

**Hon. James McCrae (Minister of Health):** In spite of very difficult recessionary conditions in recent years in Manitoba, in spite of the declining support that we get from the federal government, not only this one, but also the one before and the one before that for health and post-secondary education, we have been able to virtually double the spending on the Home Care program in the space of seven years here in Manitoba.

In the last five years alone, Madam Speaker, we have put over 750 more people to work in our Home Care program.

**Mr. Chomiak:** Like yesterday, the minister did not answer the question.

Can the minister explain whether last year's figure of \$52.252 million was an inflated figure, like the personal care home figure yesterday, or is it a

downsizing this year, down to \$50.486 million? What was it, an inflated figure last year or a cut this year?

**Mr. McCrae:** Just for the record with respect to personal care home spaces in Manitoba, there has been a massive increase in personal care home capacity in the last seven years in Manitoba, over 500 additional personal care home spaces and hundreds more under the Capital program of this government.

The honourable member and I discussed that yesterday, and, no doubt, will have an opportunity to discuss it again. I can only repeat what I said about the Home Care program. The Home Care program has been growing and growing and growing, and more and more people are accessing home care services, which makes hospital beds more readily available for people who need to have them.

We can look after people in their homes, and we have good staff throughout the province, and we are looking for continued partnership with the facilities in Manitoba to make the transition to home care as easy as we can make it.

\* (1345)

**Mr. Chomiak:** How can the minister explain cuts to hospitals this year of 2 percent and down \$14 million, fewer personal care home beds this year from last year, and, in addition to that, a cut of \$1.7 million to the very home care workers and the home care programs that are supposed to replace those cuts? How does the minister explain it, Madam Speaker?

**Mr. McCrae:** Well, Madam Speaker, when you are at River East Personal Care Home, visiting the brand new spaces there and visiting with the residents, you can explain to them the direction the government is going in home care, or when you go to Donwood Manor or Kildonan Personal Care Centre.

In total, we are talking about 280 in those three alone, Madam Speaker. The honourable member asks how. We say we do so with pleasure, because the staff in those places are dedicated to providing a comforting, relaxing and home-like atmosphere for the residents there, and that is a good direction for us to be going in.

### Post-Secondary Education Funding

**Ms. Jean Friesen (Wolseley):** Madam Speaker, my questions are for the Minister of Education.

Madam Speaker, I know the minister is aware that the federal plans for withdrawal from post-secondary education will have a serious impact on Manitoba's future. Not only do we lose cash transfers, but we lose 25 percent of research monies, not just in agriculture, but in medicine, social sciences and sciences. We are also losing the only national scholarship program that we had, from which Manitobans also benefited.

Madam Speaker, an Informetrica study recently showed that Manitoba university enrollment will decrease by 8,000 in 1996.

I want to ask the Minister of Education if she can table in the House what representation she has made to Ottawa to convey to them the very serious impact this will have on Manitoba families.

**Hon. Linda McIntosh (Minister of Education and Training):** I think the member is aware that all of us on this side of the House, and we would welcome being joined by our colleagues on the other side of the House, as well, have taken the opportunity to phone, to contact for many, many weeks, indeed months, those counterparts we have federally.

She may not be aware that there is no federal Minister of Education, but I personally have contacted Manitoba M.P.s, and as the Premier (Mr. Filmon) has indicated, the First Ministers, in their meetings and in their contacts and ongoing dialogue with each other, as high priority, discussed these types of issues.

If the member would also like to share with me the number of contacts she has made with federal M.P.s on this issue, I would be pleased to support her thrust in the contacts that she and her colleagues have made with federal M.P.s.

**Ms. Friesen:** Could the minister tell us how many additional places are going to be made available in Manitoba's community colleges to accommodate those

prospective 8,000 students, who will no longer be in universities?

\* (1350)

**Mrs. McIntosh:** I am surprised that the member has the ability to project so exactly what is going to be happening in the future. I would indicate, Madam Speaker, that the member knows, because she has an understanding of statistics, that in times of high unemployment, universities and colleges have increased enrollment. In times of strength in the economy when jobs are more available, you will see a resulting decrease in enrollment. That is true right across the nation.

There are articles—even just last week in our newspapers such as The Globe and Mail, for example, some of the national newspapers—which indicate that overall trend across Canada, and, certainly, with our adherence to the Roblin report, principles of restructuring, we expect to see opportunities for students at the post-secondary level.

**Ms. Friesen:** I want to emphasize for the minister that the numbers were not mine. They were—

**Madam Speaker:** Order, please.

**Ms. Friesen:** Could the minister tell us the impact of the decline in the university and the community college enrollment that I understand must be happening, from her answer—what is going to be the impact of that on Manitoba's need for a highly educated workforce?

**Mrs. McIntosh:** Madam Speaker, the member is aware of the amount of money that we have pumped into community colleges, for example, massive increases long overdue, recommended by Roblin, not put in place under the New Democratic government, training people for the real jobs that do exist in the marketplace. The member is aware of the standards of excellence we are setting in place to be reached at all levels of education. The member is aware of the contents of the Roblin report and our commitment to it.

Madam Speaker, we are looking at working with industry, working with students, identifying and

preparing curricula that will be relevant to the needs of students in Manitoba, to prepare them not just for the workforce in Manitoba, but any place they may care to travel.

### **Palliative Care Funding Levels**

**Ms. Diane McGifford (Osborne):** Madam Speaker, my questions are for the Minister of Health.

Yesterday's Senate committee report that rejected the right to assisted suicide instead recommended sweeping changes to palliative care, pain control and withholding or withdrawing lifesaving treatment.

Yet, over the last seven years, palliative care units in Manitoba's hospitals have been cut, and we have learned that in the Princess Elizabeth Hospital, the palliative care unit has been severely cut despite the fact that caregivers do not feel the necessary palliative care home support services are in place in the community.

Can the minister tell the House how his government can justify spending millions of dollars on the Jets while terminally ill people are losing palliative care services?

**Hon. James McCrae (Minister of Health):** Madam Speaker, in a province where the highest percentage of government spending is being spent on health care, it needs to be remembered that palliative care and different methods of palliative care are all part of the equation when it comes to the delivery of a variety of services.

We certainly work with people involved in the field to see that our palliative care services are appropriate for the needs that are in our communities. Palliative care is carried out in various institutions, but it is also carried out in many instances at home, and our government is always there to work with others in the system to see that our palliative care services are appropriate.

**Ms. McGifford:** What justification can the minister give the House for the tendering to a private firm of the

home IV program, currently administered by the Victorian Order of Nurses in conjunction with the home visiting contract for palliative care patients, especially given the importance of the continuity of care for these patients?

**Mr. McCrae:** Madam Speaker, the difference in approach sometimes between the one put forward by the honourable member and her colleagues and the one put forward by us is that our approach is one which places the emphasis on the patient.

I would say to the honourable member that rather than line up with what the union bosses think is the right thing to do, I would like to line up with the patients of this province and attempt to provide the most appropriate service for them.

\* (1355)

### **Advocate Services**

**Ms. Diane McGifford (Osborne):** Since a number of concerns have been expressed about the adequacy of home support services, like home care attendants, when will adequate services be put in place to ensure that people can die with dignity in their own homes, and what overall changes are planned for palliative care services to respond to the recommendations of the Senate committee on this issue?

**Hon. James McCrae (Minister of Health):** Madam Speaker, the provision of palliative and other forms of health care services is an ongoing concern of our department and those with whom we work on an ongoing basis in the community and in the institutions. That sometimes has included, certainly on one occasion, a very positive experience we had, and the patients of Seven Oaks Hospital had, with a private firm.

The NDP have said they support that approach on the one hand, but the questions brought out today demonstrate they did not really mean it when they said that, because they must have had some discussions with their union boss friends in the meantime, Madam Speaker.

### Judicial System Custody Hearings

**Mr. Gary Kowalski (The Maples):** Madam Speaker, my question is for the Minister of Justice.

The Liberal Party in Manitoba has gone to great lengths to point out that police officers spend too much time sitting in courthouses when they should be out in the communities patrolling the streets. This government has the opportunity to change this.

At the end of June, custody hearings are moving to 408 York and will now be done by magistrates rather than hearing officers. Will the minister assure this House that there will be sufficient resources, specifically Crown attorneys, sheriff's officers and so on, so police officers can immediately turn over their prisoners and return to the street where they are needed?

**Hon. Rosemary Vodrey (Minister of Justice and Attorney General):** Madam Speaker, the member has referenced the move from the St. Boniface courthouse to 408 York, a move which was negotiated by a committee chaired by the chief judge, and we believe that location will be very helpful and perhaps more central.

The member also knows, I am sure, that as of April 1, with changes by the federal minister, police are able to release with conditions now, which they were unable to do in the past.

However, I understand there is also a training process which the member should be well aware of, and that is an internal process which will be required to be done by the police.

However, it is very interesting, Madam Speaker, that this member is really very concerned about police officers being on the street when he and his party so strongly support Bill C-68, registration of firearms.

### Young Offenders Night Court

**Mr. Gary Kowalski (The Maples):** I have another question for the Minister of Justice.

When will the minister produce a report on the success or failure of the young offenders night court and indicate whether night courts will continue for young offenders and possibly adults in the future?

**Hon. Rosemary Vodrey (Minister of Justice and Attorney General):** Madam Speaker, we were very pleased to put forward a pilot project, an initiative of this government, a program of youth court that took place at night. That project is currently being evaluated. It is being examined and I am looking forward to being able to say something about that, I hope no later than the fall.

### Civil Court

**Mr. Gary Kowalski (The Maples):** I have one more question for the Minister of Justice.

Has the minister taken any steps to implement their party's election promise to streamline civil court proceedings in this province?

**Hon. Rosemary Vodrey (Minister of Justice and Attorney General):** I am pleased the member referenced one of the promises which we put forward during the election campaign which we will be moving to fulfill, and that is to look at the civil side of our court system to ensure that that side of the court system is operating as efficiently as possible.

The outline of the plan was presented during our election campaign, and I look forward to being able to announce the details of how that will work in the very near future.

\* (1400)

### Department of Family Services Federal Transfer Payments

**Mr. Doug Martindale (Burrows):** Madam Speaker, when the Canada Assistance Plan was repealed and replaced by the Canada Social Transfer Act, all of the provisions of CAP were gutted except one.

In figures provided by the Minister of Family Services in an analysis of the future transfers, it shows

that in the 1996-97 fiscal year, the Department of Family Services will receive \$38.2 million less from the federal government, and in the '97-98 fiscal year, \$57.2 million less from the federal government.

I would like to ask the Minister of Family Services, how will her government and her department cope with this offloading from the federal government. How will it affect programs in her department in Community Living, Income Security and Child Care?

**Hon. Bonnie Mitchelson (Minister of Family Services):** Madam Speaker, I thank my honourable friend for that question because, indeed, it is a concern for all members of this government in all of the departments that deal with people, especially health, education and social services.

Madam Speaker, we did put forward a paper tabled in the Legislature in the spring, a paper on Manitoba's perspective on social safety net reform and, in fact, what impacts that would have on Manitoba and some of the unique circumstances and situations that Manitoba faces that made it critical that special consideration be given to the province of Manitoba.

Madam Speaker, that was shared with all provinces across the country, and I received correspondence back from many other provincial ministers who felt our position was a strong position, a good position to put forward. It was shared with the federal government. We received no response back from them.

Not only are we receiving less as a result of the CAP changes, but, in fact, we have seen offloading on a regular basis over the last number of years since the federal government unilaterally decided to not fund supports for Status Indians off reserve in the areas of social allowance and child welfare. We are \$70 million short already, and with the situation at Granville Lake and South Indian Lake, we stand to lose more, Madam Speaker.

**Mr. Martindale:** Madam Speaker, the question is, is this minister and her government going to cut programs in Family Services, such as Child Day Care or reduce housing allowances or the food budget?

What provisions are they going to make, or are they going to guarantee that there will be no reductions?

**Mrs. Mitchelson:** Madam Speaker, again, I thank my honourable friend for that very good question.

It is an issue that we all have serious concern about, not only in Manitoba, but right across the country. Two weeks from now, when all of the ministers of social services are gathered here in Winnipeg for a ministers' conference, that will be one of the high-priority agenda items.

Manitoba is not in a unique circumstance, Madam Speaker. It is every province across the country that is going to be receiving less. The issues around all of the services to people are going to have to be very carefully looked at as we move into the future and see that the federal government has made it a very low priority, whereas we in Manitoba have made health, education and family services funding our highest priorities.

#### **Social Assistance Food Allowance**

**Mr. Doug Martindale (Burrows):** Will the Minister of Family Services look carefully and make it a high priority to keep the budget for children on city assistance at the current levels, which are higher than the provincial levels, or is this minister planning to take over city welfare in order to reduce the food allowance for children?

**Hon. Bonnie Mitchelson (Minister of Family Services):** Madam Speaker, as I indicated in my two previous answers, this government, our government, under our Premier's (Mr. Filmon) leadership, has indeed maintained and enhanced support for health, for education and for family services at the expense of other government programs, and we will continue to ensure that they are our highest priorities.

Madam Speaker, we have also undertaken an initiative through the Child and Youth Secretariat to look at co-ordination of services, so we reduce and eliminate the overlap and the duplication from department to department to ensure that the dollars that we have to spend on children in the province of

Manitoba are used to the maximum benefit for as many children as we can possibly serve.

So, Madam Speaker, we are committed to ensure that children in Manitoba come first and that our services and our priorities will reflect that.

**Assiniboine Community College  
Development Division**

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

In the major restructuring that has been announced for the Assiniboine Community College in Brandon, the college development division is being eliminated, involving four staff layoffs.

In the past year, this division sold training contracts to many, many organizations, bringing in approximately \$2.1 million of federal training funds without requiring any provincial government funding.

My question to the minister is, why would your department eliminate a division of ACC that pays its own costs and generates additional training activity at Assiniboine Community College?

**Hon. Linda McIntosh (Minister of Education and Training):** Madam Speaker, I should just indicate to the member for Brandon East that colleges have been given their own governance. Colleges have their own boards of governors. Colleges are able to make their own decisions. Colleges this year are faced with cuts from the federal government in purchasing seats that has caused them to have to do some rearranging and organizing from within. Our support for colleges remains high.

I have written to the federal minister, phoned the federal minister, done everything that I can to influence the federal minister. In the meantime, our financial support for colleges remains high, a very large increase in percentage and in dollars, and we applaud the colleges for the work that they are doing in governing their own affairs and in attempting to meet the needs of their people, even in the face of federal cuts.

**Mr. Leonard Evans:** Madam Speaker, I wonder if the minister would look into this and find out why this market-driven training centre is eliminated at ACC, when a similar centre is being retained elsewhere, such as at Red River Community College.

**Mrs. McIntosh:** Madam Speaker, as I indicated to the member, our support for colleges has increased to Assiniboine Community College by very large numbers, some \$2.7 million to colleges.

The fact that they have had federal transfer cuts has caused them to make decisions. They have worked very hard to ensure that the decisions they make still offer students good quality of education, with increased opportunities for training that is applicable to the marketplace that the students are going to enter upon graduation.

The member references another college, Red River Community College, which also has the same self-governing ability. I believe I have answered the question on the first go-round, repeated it on the second go-round. If he wants to try a third time, I invite him to do so.

**Mr. Leonard Evans:** Those were two distinct questions, Madam Speaker, and I am not sure whether I got the answer to the question I posed.

**Aboriginal Student Counsellor**

**Mr. Leonard Evans (Brandon East):** A third question—maybe she will look at Hansard and find out. The third question, Madam Speaker, I wonder if the minister would look into this.

Why would the senior aboriginal student counsellor be among those laid off at ACC, when Assiniboine Community College continues to have in excess of 200 aboriginal students enrolled?

**Hon. Linda McIntosh (Minister of Education and Training):** Madam Speaker, it is not even Friday.

The college, of course, does its own hiring. It does its own reorganizing of staff. Attention is paid in the decisions that community colleges make. Witness

Keewatin Community College, which in its adjustment and downsizing because of federal transfer cuts, has made arrangements to—actually improves certain components of its delivery service for aboriginal students by bringing in elders and by ensuring that redeployment of staff has the aboriginal presence permeating all areas of the college, making it integral to all courses, as opposed to being isolated.

The aboriginal learning centre there, of course, is still in existence. Similarly at the other colleges, boards of governors pay special attention to the needs of their students and endeavour to meet them. With the extra money that they have been given from the province, they have some ability to make accommodations for those needs.

\* (1410)

#### **Winnipeg Arena Operating Losses**

**Mr. Tim Sale (Crescentwood):** Madam Speaker, the confusion on the matter of the losses of the Winnipeg Jets under the proposed new agreement with the child of MEC continues to grow. Today, John Loewen is quoted on the CBC saying that the private investors are trying to design an endowment fund to absorb any deficit, but he admits that if that does not work, public shareholders will be stuck with the losses.

My question for the Minister of Finance is based upon the regular briefings that the minister receives from his senior staff.

Will he confirm that, in fact, there are at present no guarantees whatsoever that the public sector will be 100 percent protected from absorbing operating losses?

**Hon. Eric Stefanson (Minister of Finance):** The discussions that have been taking place with the MEC group, the new private-sector investors and the current owners has always been on the basis that if an arrangement is struck whereby the ownership changes and a facility is built here in Winnipeg, one of the fundamental conditions is that the new group, the new ownership group, will take over responsibility for those losses starting this year in the 1995-96 hockey season.

That has always been a fundamental condition of any change in structure, always been a fundamental condition of building any new facility here in Manitoba, and that will continue to be a condition.

Mr. Loewen, the MEC group, all members are fully aware of that. I am assuming what you might have been referring to is that at the end of the day, they still have to raise \$111 million. They have raised in excess of \$60 million to date. That continues to be a challenge as part of what their side of closing the agreement is, Madam Speaker.

#### **Public Shares**

**Mr. Tim Sale (Crescentwood):** Madam Speaker, I have a question to the same minister.

Will the 36 percent shares now held by the public sector be exposed to operating losses under any conditions or circumstances?

**Hon. Eric Stefanson (Minister of Finance):** Absolutely not, Madam Speaker.

**Mr. Sale:** Madam Speaker, to the same minister, are there any circumstances or conditions under which the public shares will be reduced in value relative to their value in comparison to the private-sector shares; that is, they are currently equal. Are there any circumstances or conditions under which their value relative to those private shares will be reduced?

**Mr. Stefanson:** None that I am aware of, Madam Speaker. All discussions, all tentative agreements, have always been on the basis of the public-sector shares. The public-sector shares are treated on the same basis as the private-sector shares, and based on the discussions that are taking place now, that is on the current estimated fair-market value with the public-sector shares having a value of approximately \$30 million.

#### **Residential Tenancies Branch Work Orders**

**Ms. Marianne Cerilli (Radisson):** Madam Speaker, there has been a number of deteriorated and unsafe

rental properties being brought to my attention. These are properties where the landlord is continuing to collect rent, even though there have been health inspections and there are outstanding work order repairs on the properties.

I want to ask the Minister responsible for the Residential Tenancies Commission if he can explain the comments he made last week when he said, the Residential Tenancies Branch may not even know there are work orders against these buildings unless they are brought to the attention of the Residential Tenancies Branch.

Can he clarify those comments for the House today?

**Hon. Jim Ernst (Minister of Consumer and Corporate Affairs):** Madam Speaker, as I indicated last week to the member for Radisson, fire department work orders, building and health work orders against particular properties in the city of Winnipeg are the responsibility of the city. They are there, first of all, to put them in place and, secondly, to enforce them against the building owners.

If it is brought to the attention of the Residential Tenancies Branch, we then investigate and determine if there is action necessary by the branch. If they are not necessarily brought to the attention of the branch, we may from time to time not know.

**Ms. Cerilli:** We have a system full of holes.

I want to ask the same minister, given that the requirements for the Residential Tenancies Branch are to ensure the provisions of The Residential Tenancies Act are understood and complied with by landlords and tenants, can he explain how this can happen if it is not automatic, if work orders by health inspectors are not automatically given to the Residential Tenancies Branch?

How can it do its job if it is not receiving either the city's work orders or its own department's work orders?

**Mr. Ernst:** Purely speaking, Madam Speaker, the Residential Tenancies Branch reacts to situations that

occur. We are not out inspecting every building all the time. We do not have the staff for it, nor the mandate.

The mandate resides with the City of Winnipeg with respect to health inspection orders and with respect to building inspection orders and with respect to fire inspection orders. As a matter of fact, Madam Speaker, the City of Winnipeg by-laws govern, by and large, most of those types of activities.

If an order to repair is given and the landlord does not comply, it is brought to the attention of the Residential Tenancies Branch. Then we investigate and, if necessary, enforce.

**Madam Speaker:** Order, please. Time for Oral Questions has expired.

#### Speaker's Rulings

**Madam Speaker:** I have two rulings for the House today.

On May 29, 1995, during debate on the address in reply to the Speech from the Throne, I took under advisement a point of order raised by the opposition House leader (Mr. Ashton) respecting words he claimed were spoken by the First Minister (Mr. Filmon) from his seat. At that time, I indicated that I had not heard the words and would peruse Hansard and report back to the House.

As members will know, the printed Hansard contains no words spoken from his seat attributed to the First Minister in this instance. I also listened to the audio tape and was unable to hear the comment complained of by the opposition House leader.

Therefore, there is no point of order.

\* \* \*

**Madam Speaker:** I have a second ruling for the House today.

On Tuesday, May 30, the honourable member for The Pas (Mr. Lathlin) rose on a matter of privilege

about comments made to him during the evening sitting on May 29 by the First Minister (Mr. Filmon).

After hearing from the honourable member, the government House leader, the honourable First Minister and the opposition House leader, I took the matter under advisement.

\* (1420)

First I want to say that I found this to be a very difficult ruling. Members will notice that I had just given a ruling on a matter which arose in the same debate and which involved the same sort of words.

I have listened carefully to the audio tapes and read the transcript of the remarks of both the member for The Pas and the Premier. The member for The Pas, in his submission on the matter of privilege, made reference to comments he said were made to him by the Premier from his seat.

As I ruled earlier, there is no indication in Hansard of such words, nor did I personally hear such comments. Therefore, I can only rule on what is in Hansard. What appears in the printed record from the Premier's speech is this: "I think that an individual like him, and I might say that I could be as vicious and as mean as he is by saying that I have heard oftentimes from people in his constituency in The Pas that they regard him as a racist. I could say that because that is the way he treats people in his area."

The Canadian authority on parliamentary privilege Joseph Maingot says that improper reflections by one honourable member upon another is a matter of unparliamentary language. That is, it is a matter of order, not a matter of privilege.

I would also observe that our own traditions and Manitoba Speakers' rulings are clear that the right time to raise such a matter is indeed when the words are spoken.

The former Manitoba Speaker Rocan and former House of Commons Speaker Fraser have had to deal with some very difficult issues involving the word "racist." In particular, on March 1, 1993, Speaker

Rocan ruled that the phrase "those are racist comments" when spoken by a member about the words of another member in this House were indeed unparliamentary and asked that they be withdrawn.

In addition, on November 1, 1990, the Speaker ruled that the phrase "potentially racist attitudes" was out of order and directed that the phrase be withdrawn.

Members may recall that on May 29, I intervened after both the member for The Pas (Mr. Lathlin) and the Premier (Mr. Filmon) had used the word "racist" and cautioned both of them. I note that earlier on the evening in question, the member for The Pas had said "I have on a regular basis heard comments by our people, comments saying that programs and services, policies enunciated by this Premier and this government are racist." He went on to say "my people . . . are beginning to talk about racism as being central to the policies coming from this Premier and his government,".

Having reflected on the speeches of both members and having examined the context of the words used by each of the two members, I am ruling that both members should withdraw their comments. It is my sense that all members of this House would prefer that a word with such negative connotations not be used in this House to describe either another individual or another individual's beliefs, policies or actions.

Therefore, I am now calling on the First Minister and ask that he withdraw his words which I quoted earlier.

**Hon. Gary Filmon (Premier):** Madam Speaker, I accept your wise counsel and advice. I regret that I responded in kind to the comments that were made by the member opposite, and I withdraw my comments.

**Madam Speaker:** I thank the honourable First Minister.

I am now calling on the honourable member for The Pas and ask that he withdraw his words which I quoted earlier.

**Mr. Oscar Lathlin (The Pas):** I have a lot of difficulty in doing what you are requesting me to do,

but I do not want to be disrespectful to anybody, especially to your office, Madam Speaker.

I want to repeat, however, that I did not call the First Minister directly to his face a racist. I still maintain that I will continue to do my job here as an MLA for The Pas whose riding consists of over 50 percent of aboriginal people. I will continue to speak for them as well as other nonaboriginal constituents.

I withdraw those comments that I made.

**Madam Speaker:** I thank the honourable member for The Pas.

### NONPOLITICAL STATEMENT

#### The Maples Youth Justice Association

**Mr. Gary Kowalski (The Maples):** May I have leave to make a nonpolitical statement?

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

**Mr. Kowalski:** Madam Speaker, last night, I attended the annual general meeting of The Maples Youth Justice Association. This is a youth justice committee, under the direction of the Young Offenders Act, that administers alternative measures. I was there with the member for River Heights (Mr. Radcliffe), and we enjoyed the hamburgers and hot dogs provided.

An annual general meeting may not bear the good will of this House to make a nonpolitical statement, but what was noteworthy was that two members of that committee who have—

**Madam Speaker:** Order, please. The honourable member for The Maples is attempting to make a nonpolitical statement, and I would appreciate the co-operation of all members of the House.

**Mr. Kowalski:** What was especially noteworthy at the meeting was that for two members who have been there since the beginning of the committee when it was started three years ago and were instrumental with the

start-up, Alona Mercado and Tracy Sumka, it was their final meeting.

Tracy is withdrawing from the committee because of career responsibilities, and Alona Mercado will be attending law school at the University of Ottawa.

Tracy Sumka, members may remember, received the Premier's Volunteer Service Award last year as evidence of the recognition of the good work that she performs in The Maples community.

Both of these individuals grew up in The Maples. They are just two examples of the many wonderful young people we have in The Maples, and I wanted to draw the House's attention to their good efforts and acknowledge them. Thank you.

### ORDERS OF THE DAY

**Hon. Darren Praznik (Deputy Government House Leader):** I am rising as deputy government House leader, Madam Speaker, and I would ask if you could please call on Orders of the Day for second reading Bills 5 and 6, in that order, please.

### SECOND READINGS

#### Bill 5—The Education Administration Amendment Act

**Hon. Linda McIntosh (Minister of Education and Training):** I move, seconded by the Minister of Health (Mr. McCrae), that Bill 5, The Education Administration Amendment Act; Loi modifiant la Loi sur l'administration scolaire, be now read a second time and be referred to a committee of this House.

**Motion presented.**

**Mrs. McIntosh:** It is my pleasure, as Minister of Education and Training, to present The Education Administration Amendment Act to the House for second reading.

We have embarked on a process of education renewal and reform in Manitoba that is unprecedented

in its history. Its intent is to take an already good system run on the dedication of professionals who are committed to the children in their care and make it even better, to make schools in fact, not only in aspiration, centres of excellence.

\* (1430)

Nearly a year ago, the government released its blueprint for educational change, *Renewing Education: New Directions*. The member opposite indicated she was interested that I had used "renew" the other day instead of "reform," saying that she was glad I had chosen a different word but, of course, renewing education has been part of the original heading since the very beginning, witness its being on the original documentation, *Renewing Education: New Directions*.

It outlines six new directions that will allow the system to evolve in response to changing conditions in our economy and in our society so that it can better meet the needs of the community. Times change and the system must reflect this reality, because the status quo is no longer sufficient for a society that is moving toward a new millennium. The proposed amendment that I am presenting today concerns changes to education legislation that will increase the duties and powers of both principals and teachers and give parents and other members of the community a stronger say in the school through advisory councils for school leadership.

The amendment before this Chamber today introduces changes in three areas:

(1) In the current legislation only teachers' duties are defined. Adding the duties of principals will allow ministers to make a clear distinction in the roles of these two key professionals in the education system.

(2) To provide a new vehicle for parental and community involvement. This bill makes an allowance for the creation of advisory councils for school leadership. These councils will have parent, community and business representation and will provide advice to school principals on the day-to-day operation of the school.

(3) So that teachers have the tools they need to maintain authority and control of the teaching environment, the new amendment gives them the ability to suspend disruptive students from the classroom. This measure re-establishes the teacher's control over the classroom and produces a better, safer environment for both teachers and students. Thus, it will help teachers meet their commitment to their students and the community.

Madam Speaker, The Education Administration Amendment Act that I am submitting to the House is an essential part of educational renewal in Manitoba and writes into law proposals first put forward in the department's *Blueprint for Educational Change*.

Indeed, the amendment provides enabling legislation for *New Directions* 3 and 4. The result, I believe, will be safer, more effective schools that truly reflect the needs and interests of the community. Thank you, Madam Speaker.

**Ms. Rosann Wowchuk (Swan River):** Madam Speaker, I move, seconded by the member for Brandon East (Mr. Leonard Evans), that debate be adjourned.

**Motion agreed to.**

#### **Bill 6—The Public Schools Amendment Act**

**Hon. Linda McIntosh (Minister of Education and Training):** I move, seconded by the Minister of Urban Affairs and Housing (Mr. Reimer), that Bill 6, The Public Schools Amendment Act; Loi modifiant la Loi sur les écoles publiques, be now read a second time and be referred to a committee of this House.

**Motion presented.**

**Mrs. McIntosh:** Madam Speaker, it is my pleasure as Minister of Education and Training to present The Public Schools Amendment Act to the House for second reading.

My government has spearheaded a process of educational renewal in the province that will transform the Kindergarten to Senior-4 educational system.

One of the primary aims is to increase school effectiveness by improving the environmental for learning in the classroom.

The Public Schools Amendment Act, being presented for second reading today, will ensure that the environment for learning is safe, secure and nonthreatening. It will increase the authority of school principals to deal with persons whose actions or proximity threaten to compromise safety within the school or interfere with its safe and orderly management.

The amendment provides a legal basis for removing and prosecuting drug pushers, sexual predators, gang leaders, nonstudents, and other undesirables who pose a threat to the student or the school.

It gives principals the right to document an act of trespass and engage the assistance of a police officer, if warranted. We will be increasing monetary penalties that may be imposed at the court's discretion.

Madam Speaker, students in Manitoba deserve to learn in an atmosphere that is safe, orderly and free from violence. They recognize, as we do, that learning can only occur in such a place and that the pursuit of a quality education depends on it. With this Public Schools Amendment Act, we will give educators the tools they need to ensure a safe and secure place to learn within the school that is free of interference from external sources.

I respectfully submit The Public Schools Amendment Act to this House. Thank you.

**Ms. Rosann Wowchuk (Swan River):** Madam Speaker, I move, seconded by the member for Dauphin (Mr. Struthers), that the debate on this bill be adjourned.

**Motion agreed to.**

### House Business

**Hon. Jim Ernst (Government House Leader):** I move, Madam Speaker, seconded by the Minister of Education (Mrs. McIntosh), that Madam Speaker do

now leave the Chair and the House resolve itself into a committee to consider of the Supply to be granted to Her Majesty today in the Chamber, Health; in Room 255, Education and Training; and in Room 254, Consumer and Corporate Affairs.

**Motion agreed to,** and the House resolved itself into a committee to consider of the Supply to be granted to Her Majesty, with the honourable member for La Verendrye (Mr. Sveinson) in the Chair for the Department of Consumer and Corporate Affairs; the honourable member for Sturgeon Creek (Mr. McAlpine) in the Chair for the Department of Education and Training; and the honourable member for St. Norbert (Mr. Laurendeau) in the Chair for the Department of Health.

### COMMITTEE OF SUPPLY (Concurrent Sections)

#### CONSUMER AND CORPORATE AFFAIRS

**Mr. Deputy Chairperson (Ben Sveinson):** Will the Committee of Supply please come to order. This section of the Committee of Supply will be considering the Estimates of the Department of Consumer and Corporate Affairs. Does the honourable Minister of Consumer and Corporate Affairs have an opening statement?

**Hon. Jim Ernst (Minister of Consumer and Corporate Affairs):** Last year in my remarks I described our emphasis on quality and customer service. This included our initiative in making Vital Statistics a special operating agency and the award given the Corporations Branch for customer service.

Building on that award, I am pleased to announce that we are proceeding with making the Corporations Branch a special operating agency by year-end. This will allow the Corporations Branch to explore new technology that will simplify not only incorporations but other types of business licensing as well.

Our long-term goal is a one-stop shopping facility where people can go to one place for a different number of transactions instead of going to many places to register or check something at each place.

Another of our quality and customer service initiatives for this year is the compiling of an initial publication of residential tenancy administrative policies. These will be available to both landlords and tenants. Gathering together the many policies and putting them in plain language is a major task for the branch. The publication of these administrative policies should not only allow the public to see what policies are used in different situations but should go some distance to making the parties to disputes see that decisions are not arbitrary. This is particularly important when cases affect people in significant personal ways, such as rent arrears or any increases in orders for possession.

Also, in the Residential Tenancies area, the hearing rooms, waiting rooms and public counter are being renovated somewhat to improve public service and to reduce some of the congestion that occurs from time to time.

The rest of the department is also embracing our quality service initiatives, including changes in the Administration branch's process of appointment for commissioners of oaths and notaries public, which eliminates the requirement for applicants to file documents twice in order to register. Combining the two forms will save about 3,000 commissioners for oaths and notaries public applicants an extra mailing every year.

In the Consumers' Bureau, we will be automating its licensing procedures this year, which is expected to speed up licensing and improve response time on inquiries.

Last year I mentioned our efforts over several years in trying to establish a national new vehicle arbitration program, and that was started in October of 1994. This is, I think, a hallmark; it has the hallmark of an excellent program. I am happy to see it in place and look forward to it working very well.

I believe, Mr. Chairman, that the department has an important function that it does very well, and doing even better is our focus. Any improvements, anyone on the committee wishes to suggest, are welcome and will be more than considered.

**Mr. Deputy Chairperson:** We thank the Minister of Consumer and Corporate Affairs for those comments.

Does the official opposition critic, the honourable member for Elmwood, have any opening comments?

\* (1450)

**Mr. Jim Maloway (Elmwood):** Just a couple of brief comments before we proceed with the questions.

I, of course, have a different view as to what this government is not doing in the area of Consumer Affairs, and I see this government sitting on the sidelines when it should be taking action in a number of areas. I see it as a very reactive government and not a proactive government, which it should be.

There are a number of areas that we have pointed out in the past and over the last year that the government has failed to take any visible or concrete action on, and one of those, certainly, is in the area of the gasoline prices which I certainly get a lot of complaints from the public about.

Another area, Mr. Chairman, is the area of the regulation of loan brokers. The minister will be aware that we have had complaints over the past year or so about people who have been taken advantage of by loan brokers operating in the province who seem to appear and disappear with some degree of regularity. The Business Practices Act would be very interested in knowing how that is shaping up, and what use the public is making of the provisions of the act.

I would be very interested, also, Mr. Chairman, to spend some time asking the minister about the special operating agencies that have been set up. The government has four special operating agencies in operation already, and is now planning a fifth one. I would like to know how they are faring at this point, and there are a number of other areas that we will get into as we go through the sections in the department. Maybe we should just head into that in short order. Thank you.

**Mr. Deputy Chairperson:** We thank the critic from the official opposition for those remarks. Under

Manitoba practice, debate of the Minister's Salary is traditionally the last item considered for the Estimates of the department. Accordingly we shall defer consideration of this item and now proceed with the 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. Ernst:** Leading the parade here is the deputy minister, Mr. Don Zasada, followed by Mr. Fred Bryans, who is our administrative officer. Mr. Bryans is also known to members of the Legislature as the administrative officer for the affairs of the House.

**Mr. Deputy Chairperson:** We are now on line 1. Administration and Finance (b) Executive Support (1) Salaries and Employee Benefits, \$298,800 on page 27 of the Estimates book, and on page 17 of the yellow Supplement book.

**Mr. Maloway:** As a matter of procedure, might I suggest that we operate on the basis of section by section such as we just completed in the Finance department Estimates. That would allow members who may come and go through the committee to ask questions on the whole section, rather than on a line by line basis. We found that it worked quite well in the Finance department Estimates.

**Mr. Ernst:** If I could seek some clarification, you are proposing, then, we would discuss all of the issues under 1. Administration and Finance.

**Mr. Maloway:** That is right.

**Mr. Ernst:** See, there are only three sections.

**Mr. Maloway:** And then deal with Consumer Affairs and then Corporate Affairs as a section.

**Mr. Deputy Chairperson:** Is it the will of the committee, then, to deal with the Estimates of Consumer and Corporate Affairs by section? [agreed]

**Mr. Maloway:** My first questions deal with the—under Executive Support, the department deals with the administration of The Embalmers and Funeral Directors Act, and I wonder if this is the appropriate

place for me to make some inquiries about the business of the Elmwood Cemetery, a subject that has been brought up several times now. I am not certain what the provincial role in this would be, but my understanding is that a complaint was made as early as this morning to one of the city councillors about the cemetery being in disrepair and that some of the graves are evidently almost falling into the river. I do not know that that is the case. I have been there, and I have not seen that, but there are some close to the river.

My understanding from the city councillor is that the cemetery, I believe, is bankrupt, certainly could be taken over by the city for back taxes, but I believe that the situation has developed over the years with the company operating the cemetery. This could be consistent with other companies doing the same sort of operation as well whereby they have sold prearranged funeral propositions to people. People have contributed to these plans, and at the end of the day the operator runs out of money and walks away from the cemetery, so that people who prepaid their funeral expenses for many years find themselves 20, 30 years down the road where they have got an unkempt cemetery with the grass growing up and holes all over the place and the place in rack and ruins, and the operator is out of business.

What sort of provisions do we have in place to make certain that this does not happen another time? I invite the minister to make as many comments as he proceeds.

**Mr. Ernst:** I do not want to be obstructive, but all those issues come under the Public Utilities Board, which is under the Corporations Branch section. I would be happy to discuss them at that time.

**Mr. Maloway:** Perhaps the minister then, given that he has some advance notice of the subject matter, could endeavour to obtain all of the information that he can possibly get for that time that we get to the PUB sections.

This particular department formulates and reviews legislative proposals. I am wondering if the minister can give us some sort of ideas as to what the department is currently working on.

**Mr. Ernst:** We have one bill before the House at the present time dealing with the question of residential mortgages and whether the personal covenant under the residential mortgage should in fact not transfer with the sale of a property. So that bill was before the House last session and has subsequently been introduced again this session. That is the principal legislative amendment we are considering at this time.

**Mr. Maloway:** Can the minister tell us whether there are any other reviews or proposals that are being looked at?

**Mr. Ernst:** We are also looking at, together with all other provinces in Canada, harmonization of measures related to interprovincial trade, where the consumer legislation related to that needs to be harmonized in order to have a consistent policy across the country. It is a rather enormous job when you consider not just the consumer-related issues, but all the other issues related to internal trade. That is an ongoing process, and at what point we will need to introduce legislation we are not sure just yet, but we are working toward that end.

**Mr. Maloway:** Could the minister elaborate a little further and tell us at what stage these particular negotiations are on, because they have been going on for some time now? The fact of the matter is that the Free Trade Agreement probably took less time than this particular agreement will take.

\* (1500)

**Mr. Ernst:** I am advised by staff that the expectation or the goal is to have by the summer a package ready to go forward to the respective government jurisdictions. Given that there are two elections in process now, and perhaps a third on the horizon, we are subject to the whims and fancies of nine other governments. That only relates to our portion of the whole agreement, that is, the consumer protection end of it, direct sellers and things of that nature.

Whether that will happen separately or whether it will happen as a package with all of the other issues related to the internal Treasury situation, we are not sure, but our end of it, hopefully, will be ready this summer.

**Mr. Maloway:** Well, that really was my next question, as to how we are possibly going to have an agreement when the governments keep changing. If the major governments swing in terms of their philosophical bent and approach to items on the table, it is going to be a very difficult job to do that. Now, could the minister then tell us how many elements are involved in this particular agreement? He has already mentioned the direct sellers, but how many different categories are involved in this agreement?

**Mr. Ernst:** At the risk of perhaps being a little self-congratulatory, of course, the government did not change in Manitoba, which eases issues related to at least dealing with one province. Notwithstanding that, they are dealing with direct sellers, the cost of credit disclosure, bedding, upholstered and other stuffed articles, and enforcement measures related thereto.

**Mr. Maloway:** Mr. Chairman, there is a reference made to liaison with consumer-oriented groups. I wonder if the minister could give me an example, or several examples, of the consumer-oriented groups that he is liaising with at this point, because my assumption is that these groups would, in some cases, change over a period of time based on an issue-to-issue basis.

**Mr. Ernst:** The Consumers' Association of Canada is one of the two groups that we deal with sort of regularly, and in fact we provide a grant through our department to them on an annual basis. The Manitoba Society of Seniors, we also consult with on a regular basis. There are a host of others that come up from time to time with respect to issues largely related to housing issues and residential tenancy issues that come up from time to time.

**Mr. Maloway:** Mr. Chairman, under the area of Administrative Services, I did note that there is a reduction in rent charged by Government Services to most of the areas here. I am wondering what brought about the reduction in rent.

**Mr. Ernst:** There are two reasons. One is, I think last year was the first year that rent was actually assessed to individual departments and, I guess, by a general reconfiguring of their expenses and so on related to those, that caused a general reduction. Then there were

three areas, I think, where we actually changed space, you know, moving from either more expensive space to less expensive space and/or larger space to smaller space, which would account for rent reductions.

**Mr. Maloway:** I would like to ask the minister, then, how much of the space used by this department is in government owned buildings versus private sector leased buildings?

**Mr. Ernst:** I do not have an exact number. I can tell you though that there are three areas of work within the department that are housed in nongovernment owned buildings. The Residential Tenancies Branch and Commission are housed in a private building, the Public Utilities Board and the Autopac Appeal Commission are all housed in private—[interjection] It is in the Heaps Building, Consumers' Bureau.

**Mr. Maloway:** Could the minister endeavour to provide us with the details of the three leases that would be involved in these portions of his department?

**Mr. Ernst:** Well, those leases are held in the name of Government Services. It would be more appropriate to ask Government Services for them. They lease space on our behalf. We simply move into it and pay them whatever is required, based on their cost breakdown.

I would suggest to the member that you should ask the Minister of Government Services (Mr. Pallister) when those Estimates arise.

\* (1510)

**Mr. Maloway:** That is precisely what I, of course, intend to do. I felt it was certainly fair enough to try to approach it from at least more than one department, but the minister is, I think, telling me that his department has no involvement in the negotiating of these leases that, in fact, Government Services negotiates the levels of rent and the terms and does all of this on behalf of the department.

**Mr. Ernst:** That is correct.

**Mr. Maloway:** Is he also indicating to me that the department does not have copies of these leases?

**Mr. Ernst:** That is also correct.

**Mr. Maloway:** I will take that matter up with the Government Services minister (Mr. Pallister) when the time comes for those Estimates.

I would like to move on to the Research and Planning part of the department. I would like to note that the department, the Research and Planning section which I believe has or had three people, it investigates marketplace problems, and I would like to ask the minister to give me an indication of what marketplace problems this particular department has been researching over the last couple of years.

\* (1510)

**Mr. Ernst:** Firstly, let me introduce Mr. Ian Anderson, the gentleman in the middle here, who is the Director of the Research and Planning branch of the department.

Mr. Chairman, principally, while there is a host of small issues related to any number of things that occur from time to time, principal work effort has been firstly with CAMVAP, the automobile arbitration program which was successfully concluded last fall, and currently the interprovincial trade barrier information and work has been ongoing, as well as of course he is helping with the whole policy manual aspects for the Residential Tenancies Branch.

**Mr. Maloway:** I did want to take this opportunity to follow up on the CAMVAP question. I would like to know, given that the operation is only six months or so old, I would still like to know what the latest statistics are for usage from Manitoba. I would like to know how many complaints have come out of Manitoba and any information that you can give me at this point, so take your time.

**Mr. Ernst:** We do not have, Mr. Chairman, the number of complaints or day-to-day kind of inquiries or so on that come to CAMVAP, because of course it is not our program. It is set up by the automobile dealers and manufacturers and the Consumers' Association, but I can tell you that so far, to the end of May, there were 11 arbitrations and seven mediations. Of the 11 arbitrations, three were determined to be no liability on

the part of the manufacturer, eight were to be determined in favour of the consumer and resulted in the following awards: three buybacks, one replacement, one make repairs, and two reimbursed for repairs, and one where there was reimbursement of out-of-pocket expenses.

Regarding the seven mediations, you should be advised, mediations occur where an arbitration has been arranged; a settlement occurs before the arbitration and the consumer chooses to withdraw from the arbitration process. Manufacturers cannot withdraw from arbitration once it has been scheduled. The consumer can, if he wants to opt out, but the manufacturer cannot.

We do not tabulate the outcome. It is not tabulated. We do not do it, but they do not do it either. The settlement could be for one of the arbitration-type awards or an extended warranty or something like that. We do not have that detailed information. I should indicate also that regarding the three buybacks, the total value was \$60,000, so it is not insignificant.

**Mr. Maloway:** Could the minister endeavour to contact CAMVAP and see whether it is possible for them to compile their statistics on a province-by-province basis and also broken down by the type of default and the model of the car?

The reason I asked for that information is that the information that we get on the Florida program, for example, gives that information. For example, in Florida we can obtain information as to how many of the complaints are air conditioning versus brake jobs, for example. We also have them broken down as to the type of vehicle. I think we all agree with this, that the goal here is to put pressure on the manufacturers to build proper cars. One of the ways to do that is to let people know which cars are built with fewer defects so people will buy those cars and people will penalize the manufacturers by not buying the type of cars that do have a lot of defects.

At this point, do we have any information in this particular vein, or could we find out any information in this vein?

**Mr. Ernst:** The member has raised a number of issues, and I will make some inquiries with CAMVAP to see what is available and what is not and what can be done.

**Mr. Maloway:** Will the minister also tell us how the new car owner is notified that this program in fact exists?

**Mr. Ernst:** Mr. Chairman, I am advised that it is a relatively new program, so after it has been running for five years we might see something different, but currently it is in some of the owner's manuals of new automobiles. It is in the form of pamphlets in dealerships, Canadian Automobile Association member branches, and the Better Business Bureau who runs the program actually in Manitoba and the Consumers' Association. As well, there are, from time to time, articles in the news media and so on. There is a toll free number for people to call, and so there is reasonably widespread advice to the public.

**Mr. Maloway:** Mr. Chairman, one of the basic problems with some of the lemon-law programs has been exactly that, that the weaker programs are often characterized by not having a requirement to provide the information to the new car owner. So, after you buy that new car, if the dealer hides the brochures, you may never become aware of it.

In Florida that is one of the tougher laws, and there are several others in that category, but there is a requirement that the owner must be given this information. It comes with the vehicle. So there is no possible way that you would not know about the program, and I, unfortunately—and I stand to proven wrong here—but I still think that the CAMVAP program is going to turn out to be comparable with the lower rung programs in the States. It is not going to be up there with the high level programs, and we are seeing some evidence of that already just five months into it when we do not have a legislated requirement that the manufacturers and the dealers provide that notification with the sale of the car. I would ask the minister to comment on that.

\* (1520)

**Mr. Ernst:** Mr. Chairman, first of all, CAMVAP is a program entered into by all provinces in Canada on a voluntary basis—sorry, except Quebec—but nonetheless the rest of the provinces in Canada. It is six or seven months old. It has not had a chance really to operate yet with any degree of accuracy in terms of the statistics and so on, but even considered that there are 700,000 cars or something like that in Manitoba and there have been potentially 18, but 11 arbitrations at least anyway—a potential of 18 different cars having been dealt with over four model-year periods.

Time will tell, I suppose, as to whether it works accurately or not or as effectively as perhaps others. Let me say also that with respect to the consumer, it is not costing them anything either, either publicly through the government, through enforcement measures or privately. This is run totally by the automobile industry.

**Mr. Maloway:** Mr. Chairman, could the minister tell us what the appeal procedure is for people that are dissatisfied with this arbitration program, or in fact is there one?

**Mr. Ernst:** The consumer has a choice. He can go to court or he can go to arbitration. When it goes to arbitration, it is binding on both parties unless there is an error in law.

**Mr. Maloway:** So the person does not get to do it both ways. If he is not successful at the appeal through the CAMVAP route, he cannot go to the legal route. It makes sense that he would take the CAMVAP route because it is not going to cost him anything, and he gets direct results one way or the other.

**Mr. Ernst:** Basically, yes, that is correct, and not only that, there are distinct time frames too. If you go to court, I mean not only may it cost you a lot of money for legal fees and other costs associated with it, it could take two or three or four years.

Under the CAMVAP situation, there are very distinct limited time frames with respect to applications under this program. They have to deal with it, and they have to deal with it very quickly, so that there is no great, long delay. I think the longest period of time is

something like, the average approximately now is about 64 days, which is pretty fast action, generally speaking.

**Mr. Maloway:** Mr. Chairman, of the 11 arbitrations thus far, does the minister on an individual basis have the substance of what was at issue here, as to whether it was air conditioning or brakes or seat belts or the airbags? There is a problem with a large number of airbags now where there is a recall on them and where airbags are exploding, and it is not exactly the most comforting thought, but this is in fact happening out there with vehicles that were manufactured in even the last six months.

**Mr. Ernst:** As I indicated earlier, we do not have any details with respect to the individual arbitrations. Of course, again, we are reminding the member this is not a government program. This is run by an outside agency to which all provinces have acknowledged or subscribed, if you will. But in my inquiry I will find out if that information is available.

**Mr. Maloway:** I would like to ask what the minister and his department have been doing over the last year in the issue of gas prices. We have seen a variety of nonapproaches by ministers of this government over the last few years, and it never ceases to amaze me how at each opportunity they come up with excuses for why they cannot do things. I would like to know what the minister's story is today on the matter of gas prices, because I liked what he had to say last year at one or two points, but it seems that he just simply makes some positive statements for public consumption when the heat is on him and then he disappears, never to surface again until the matter is raised again. So I would like to know, just where is he at with this issue right now?

**Mr. Ernst:** Well, Mr. Chairman, let me say firstly that inflammatory allegations by the member for Elmwood (Mr. Maloway) will not go very far in eliciting co-operation, I might say, but let me tell you that the story today is the same as the story has been before and every day. There is no change with respect to gasoline prices. I notice he did not raise a question in the House when the gasoline prices went down last week, but he did, of course, when they went up. They seldom do stand up when the prices go down and congratulate the minister, even though he is blamed when they go in the

other direction. And, of course, he has responsibility for neither, but nonetheless.

The question of gasoline prices in general has been of concern to Manitoba consumers I think for some time and whether they are justified or not justified. We learned last summer, particularly three times just prior to long weekends where prices rose that were not necessarily all accounted for in terms of the price of increases in crude oil, and where companies for one reason or another were increasing their margins. We met with all of the major oil companies and a number of the independents during that period of time to try and elicit their views as to what was going on in the marketplace and so on. At the same time we looked at what was happening in other provinces in Canada and discovered, of course, that there were significant price changes, not only in Manitoba but across the country.

Manitoba is a rather small player in terms of the overall marketplace in Canada, and we saw similar or larger, in some cases, increases elsewhere in Canada, so I broached the subject with the minister responsible in Ottawa, Mr. Manley, as to what on a national basis might be done, whether he would ask his Bureau of Competition Policy to review the question of gasoline prices, because it seemed to us not just a localized problem but one that was occurring in most provinces, if not all.

I wrote to Mr. Manley and suggested that he have the Bureau of Competition Policy look at this issue. I suggested that he call together a meeting of Consumer Affairs ministers from across the country who have not, incidentally, met certainly since I have been the minister and for some time, I think, prior to that. There were not just this but other issues relating to consumer issues across Canada. To no avail, I might add. He did refer, ultimately, the issue to the Bureau of Competition Policy who, after a cursory review, came back and said there is no problem, tell the consumer to shop around. Well, that might work in Toronto, or Montreal, but it certainly does not work in Winnipeg or in Manitoba, and it certainly does not work in most places in western Canada.

So I wrote him back and I said that is not good enough, let us get on with the meeting to see what else

can be done with respect to the issue of gasoline prices. The minister eventually wrote back—it takes about four or five months to get a response out of a federal minister these days. This, I might add, is supported by other ministers of Consumer Affairs from different provinces across the country, of all political stripes.

Anyway, he wrote back and said, well, I did phone one of your fellow ministers and suggested that we have the meeting in the spring. This was last fall. Well spring has come, and I guess it is summer now or will be, officially, in a few days and still no meeting, still no response. I think I have written him four or five times looking for that kind of response.

The only thing that is actually positive that has happened with respect to this issue is there is a parliamentary committee, I believe, meeting on the question of gasoline prices and their work is ongoing.

Whether anything will come from that or not, I have no idea. Certainly we are still pressing the federal minister for a meeting of Consumer ministers to try and deal with this issue which is of significant importance to the consumers of Manitoba.

\* (1530)

**Mr. Maloway:** I would like to ask the minister about plans that he may have to deal with the loan brokers. The minister will know that this has been an ongoing problem in Manitoba and I suspect other jurisdictions, as well. Perhaps he could enlighten us as to what his department is doing and what is he doing about the regulation or the stopping of loan brokers from operating.

**Mr. Ernst:** Interesting question, Mr. Chairman, because in my opening remarks I omitted a section that dealt with the issue of loan brokers. I would like to point out the success we have had in dealing with loan brokers, particularly with those who promise loans no matter how bad your credit rating is and give phone numbers in a Manitoba location that come from—the ads that they run are run all over the U.S. and have them perhaps routed through two or three different telephone numbers in order to arrive at the number here in Winnipeg. We saw a few of these last year.

Actually, our department, I am very proud to say, led the way in terms of shutting these people down. We have done it now on three occasions where these people have operated for anywhere from seven to 20 days maybe at the most before we have been able to shut them down.

But actually our people, interestingly enough, under our legislation, have more power than the police do with respect to dealing with these particular kinds of scam artists. We work closely, very closely with the police department. In fact, they utilize our investigators and our powers because they are more extensive in some cases than the police have at their disposal at least in initial instances.

As a result, we think we have both adequate legislation and excellent staff to deal with it. We have close co-operation with the police department, and we have, in fact, protected consumers, not necessarily consumers of Manitoba because, by and large, that is not where—they may physically operate here. Usually, the consumer that is taken in by this kind of scam is from elsewhere, Canada or the U.S.

**Mr. Maloway:** I would like to ask the minister about the usefulness and benefits of The Business Practices Act, which has been in force now for, I guess, two or three years. I would like to know roughly how many actions have been taken, how many seizures so on have been taken under The Business Practices Act—I suspect not too many—and what the results have been. Basically, a question about how the act is operating.

I would also like to know whether any actions have been taken in the area of advertising. That was one of the areas that the department was hoping to step down on, false advertising that was plaguing certain industries in Manitoba. The Business Practices Act could be used in cases of false advertising.

### Point of Order

**Mr. Ernst:** Mr. Chairman, we were dealing with I thought section by section. This line of questioning actually falls under Section 2. I can inquire if we are finished with Section 1, and maybe we can dispatch it and then go on to Section 2.

**Mr. Deputy Chairperson:** The honourable member for Elmwood, can we proceed to Section 2?

**Mr. Maloway:** Yes, that is not a problem. Pardon me. No, I do have questions on Vital Statistics and the special operating agencies, so if the—

**Mr. Deputy Chairperson:** Then, if the member could hold his questions for Section 2, and I will proceed with the Section (e) of No. 1—line (e), pardon me.

\* \* \*

**Mr. Maloway:** I would like the minister to tell us about how successful the special operating agency has been. I mean obviously he has felt it successful because he is now setting up No. 5 in a series.

**Mr. Ernst:** Overall, in the government—it is not me necessarily—we are heading for 8, 9 or 10 special operating agencies for implementation by next April 1, next fiscal year.

Let me say with respect to the Vital Statistics Agency that I am extremely proud of the way that the staff there have taken hold of this and really made it operate in the way it was intended to operate. They have done an exemplary service: Marlene Zyluk, who was the chief executive officer of the agency, and all of her staff.

I attended the changeover day, as it were, last year between government departments, and I was very, very impressed with the way the staff viewed the opportunity for a special operating agency and the way they had planned on operating it. Through the year I do not think we have had a problem; I just do not remember one.

I am sorry, I neglected to introduce Janet Usher here, who is the acting CEO now that Marlene Zyluk has left the agency and gone to the Department of Highways, I believe, as the Deputy Registrar of Motor Vehicles. She is an excellent employee, and obviously we are not going to stand in the way of her career path in government and opportunities that present themselves. Janet is in charge while a search is being conducted to fill that position on a permanent basis. I know from the staff that I dealt with right on down the line, it has been

a really, really pleasant experience to see the culture change in the staff there in the way they have operated.

**Mr. Maloway:** Perhaps the minister could refresh my memory and give me a list of the nine or 10, because I always thought there were four and this one was No. 5.

**Mr. Ernst:** I think this is No. 4 in the government, but there are a number that started on April 1st of 1995. I am just going from memory at the moment, but I think one is the tree nursery. I am sorry, I do not remember the others. There are no others in my department at the moment—but only going from memory and from what I have heard.

**Mr. Maloway:** I would like to delve into the rationale for setting up the special operating agencies. I would like to know what this special operating agency can do that it could not have done where it was before. What can it do now that it could not do before?

**Mr. Ernst:** Unlike a government department, special operating agency has an opportunity to be a lot more flexible, firstly, with respect to its capital. While it must file a business plan each year detailing where it intends to go and something like that, it has some additional revenues generated that were unanticipated, and whenever it can deal with issues related to capital, service improvement and investment in its operations, that would entail a fair bit of red tape were it to go the standard government route, income going into the Consolidated Fund, Treasury Board, and other internal approvals required for additional expenditures and so on.

So it gives the staff, I think, a sense of ownership and a sense of quality management that they can implement, because they have the power to do that. They also have the same flexibility in terms of their staffing. While they still have to deal with the civil service guidelines and so on, they do have flexibility in terms of their own staffing requirements.

\* (1540)

In the case of the Vital Statistics Agency, it is a service agency to the public. It is basically a library of records, births, deaths and things of that nature, so that

it provides service to the public virtually on an ongoing basis. To be able to provide that service and to do the job that it is required to do, that flexibility is desirable from government's perspective because it is totally cost recovered. There is no tax dollar, per se, going into it, but it in fact is totally cost recovered, and the staff have an opportunity to provide the service improvements that the public are demanding.

**Mr. Maloway:** Mr. Chairman, so I would like to know then why it would not be turned into a Crown corporation. I mean, I assume that it is sitting out there, it has no board of directors—[interjection] Oh, it has a board of directors. Okay, perhaps you could enlighten me on a bit of that.

**Mr. Ernst:** It has a board of directors. The special operating agency has advisers from outside of government, people with some interest or expertise that relates perhaps to the operation.

I can more easily demonstrate it, I guess, with respect to the Fleet Vehicles Operating Agency which has people from the automotive industry sitting on that as members of the board by providing expertise that may assist the operating agency in how it operates. So, no, it is not out there operating all by itself. It does have direction, and the deputy minister, I believe, is the chair of the board.

**Mr. Maloway:** How many members does the board of directors have, and who appoints the board of directors?

**Mr. Ernst:** There are six members on the board of directors. They are all appointed by the government. We look for people, for instance, like in the case of the Vital Statistics Agency, people who utilize and search records on a regular basis, like the genealogical society, where people are tracing family histories and things of that nature. They are big consumers of the product here, and may well can offer us advice as how better to serve their needs and things of that nature.

**Mr. Maloway:** Could the minister provide us with the remuneration levels for these board members and maybe a list of the names of the people on each of these four, now five, soon to be 10 operating agencies?

**Mr. Ernst:** I cannot with respect to other operating agencies, but certainly with respect to Vital Stats I will endeavour to get that information.

**Mr. Maloway:** I believe we may have asked the question at the time that this particular agency was set up but, if not, I will ask it now, and that is, the question of confidentiality would always be a concern with respect to the Vital Statistics. What guarantees does the public have that all of the information is being kept confidential as opposed to the way it was structured before?

**Mr. Ernst:** Mr. Chairman, there is really no change from what it was when it was a government department to what it is today in terms of confidentiality although, in many cases, when somebody died and when they were born is not really all that confidential. You could find it in other places besides the Vital Statistics Agency, you know, look it up in the archives of newspapers and things of that nature, to provide much of that information as well but, certainly, one of the hallmarks is the fact that access is limited with respect to a number of these areas and we have a very good record in terms of maintaining confidentiality of those records that should be so.

**Mr. Maloway:** I would like to ask then, what is the computer setup for this particular special operating agency? How is it structured?

**Mr. Ernst:** Firstly, let me say with response to his earlier question that we are restricted by statute in terms of security, and that will not change regardless of the type of system that we are on. Currently the system, by and large, is paper based. It has not been automated to any significant degree, although there is some automation. The business plan requires us to proceed down a path toward full automation over time, and we are just at the beginning stages of that now, and there is an analysis—this summer our FPs will be called for a systems design to deal with the question of converting to electronic means and, of course, security will be one of the major factors of that.

**Mr. Maloway:** So will this special operating agency or any of the others for that matter be using the new government's Finance department's open system that

they are putting in place for what they said was the whole government?

**Mr. Ernst:** As far as I am aware, all of these plans—there is an information technology review office established in the Department of Finance who oversee all the computer operations within the government, and all computer operations are headed to open systems, not proprietary ones.

**Mr. Maloway:** Then, presumably, these operating agencies are set up to at very worst break even but at very best make a profit. Now, if they make a profit, does the profit stay with them or does it go into general revenue? What happens to the profit.

**Mr. Ernst:** Mr. Chairman, excess of revenue over expenditure, which is the socialist term for profit, there is a business plan established each year. The business plan, in the case of Vital Statistics, for instance, contains in it some excess revenue which is used to capitalize its new expenditures in terms of information technology, computers. So built into the business plan is an expectation of more revenue than expense, and that additional money, profit, if you will, will go toward the capitalization, the cost of installing and upgrading and so on of the new computer systems. If there is anything over and above the business plan, then that money is returned to general revenue.

\* (1550)

**Mr. Maloway:** Well, the question I suppose is, who decides, or who approves the business plan?

**Mr. Ernst:** The Treasury Board.

**Mr. Maloway:** So is there potential here for a special operating agency to get out of control and to be spending money in areas that perhaps the government would not want them to be spending money? We have had some previous bad experiences with arms of Crown corporations wandering around in places that they should not have been, and the minister knows well of which I speak, and I know all too well myself. I am just wondering whether there is a potential there for some of these special operating agencies to wander off and get themselves into trouble.

**Mr. Ernst:** By and large, no. The business plan is pretty specific. It is approved on an annual basis. The board of directors are in place including the deputy minister of the department to which it is assigned. So that there are pretty reasonable controls on it, I think, from that perspective, unlike a Crown corporation that has a separate board of directors and it reports to no one really. Although there may be a minister assigned for policy guidance from time to time and so on, the board is autonomous in terms of its operations. Not quite the same here. The business plan is approved and must be followed, approved by Treasury Board on an annual basis, must be followed. There is a special operating agency secretariat also that does some monitoring work and so on.

I suspect that those kinds of things—that is not to say somebody is not going to do something. I mean, human beings are involved here, and from time to time human beings do silly things. Something may happen at some point along the way, but the structure is such that it is pretty closely held.

**Mr. Maloway:** Would the minister tell us who would be making decisions then on hirings and firings in these special operating agencies?

**Mr. Ernst:** Mr. Chairman, the CEO generally is involved, and they draw upon the resources—because they do not have a human resources department internally within the operating agency per that expertise, they draw upon the department human resources people to assist them in the hiring processes and generally follow the Civil Service guidelines. But they have an authorized complement of people, so if there is a vacancy they will go out and hire somebody to fill the position.

**Mr. Maloway:** If a special operating agency has a vacancy, they advertise, and they hire somebody. They do not go to the government and say provide us with a person. They do not interview him, the special operating agency does all of that themselves.

**Mr. Ernst:** No, the member did not quite listen to what I said. I said the CEO would be involved, certainly, of the agency. And again it depends on the size. I mean, we do not have a whole lot of people in

the Vital Statistics department, but they do not have their own human resource people, so they draw upon the human resource component of the Department of Consumer and Corporate Affairs for assistance in terms of hiring and interviewing, that sort of thing.

**Mr. Maloway:** Presumably payroll is still through the government?

**Mr. Ernst:** Yes, it is.

**Mr. Maloway:** How many of these special operating agencies does the minister expect that this government will set up during its current mandate?

**Mr. Ernst:** First of all, I am not qualified to answer that and secondly, it is highly speculative and I do not have an answer.

**Mr. Maloway:** I expect that the minister would provide an answer like that, but what I would like to know is that surely there is a limit to how many of these things can be set up if we follow it through. I would assume that the decisions are based on the basis of how much cost recovery can be put in place for government services. Therefore, Vital Statistics is the logical portion of the department to deal with. Somewhere along the line there will be some pressure on the government to, in fact, fully privatize this service. Is that not possible?

**Mr. Ernst:** Again, Mr. Chairman, these questions are, I would suggest, out of order. They do not relate to the Department of Consumer and Corporate Affairs nor in particular to this section. Again, it is highly speculative. What might or might not happen in the future, who knows? I cannot comment.

**Mr. Maloway:** Has the minister had any direct interest, then, on the part of any independent business interests to take over the department of Vital Statistics, the special operating agency, from the government?

**Mr. Ernst:** No.

**Mr. Maloway:** Certainly it is a trademark of right-leaning governments throughout the country, and in fact around the world, in preparation for privatization

of government services that they in fact do have to dress these things up and make them profitable for private enterprise to take over. It just seemed to me that perhaps this special operating concept might be just a transition to a privatized government service. Does the minister have any comments on that?

**Mr. Ernst:** The member can speculate how he likes and have his own fantasies if he wishes, but we are doing what we are doing.

**Mr. Maloway:** I think I could ask a lot more questions about the special operating agencies but perhaps we will wait for another department to get into that. I think we could go on to the next area which would be Consumer Affairs.

**Mr. Deputy Chairperson:** 1. Administration and Finance (b) Executive Support (1) Salaries and Employee Benefits \$298,800—pass; (2) Other Expenditures \$49,700—pass.

1.(c) Administrative Services (1) Salaries and Employee Benefits \$531,500—pass; (2) Other Expenditures \$147,700—pass; (3) Less: Recoverable from Legislative Assembly (\$200,000)—pass.

1.(d) Research and Planning (1) Salaries and Employee Benefits \$153,700—pass; (2) Other Expenditures \$25,900—pass.

1.(e) Vital Statistics Agency—pass.

2. Consumer Affairs (a) Consumers' Bureau (1) Salaries and Employee Benefits \$919,200.

**Mr. Maloway:** I would like to ask some questions of the minister regarding the Automobile Injury Compensation Appeals Commission. It seems to me that the government has provided \$852,000 to run this department, or part of the department.

I would like to know how many appeals this body has actually dealt with.

**Mr. Ernst:** Mr. Chairman, I would like to introduce Mr. Brent Kroeker, who is the manager of the appeal commission.

At one stage or another, approximately eight.

**Mr. Maloway:** So, in the first year, it just seemed to me that that is an awful lot of money to be spending for, really, very little activity. When we asked questions about this particular area, about six months into the no-fault program, I believe the committee dealing with the MPIC, there had been, I believe, no appeals at that point. When I opened my book this morning and saw this, what is a fairly large amount of money here, I was expecting that perhaps—and I realize that we are only a year into this, but surely it does not take \$852,000 to handle only eight little appeals from MPIC.

**Mr. Ernst:** Let me, first of all, explain to the member that the legislation related to no-fault insurance provides an opportunity for a couple of avenues of appeal for the consumer, the insuring public. The first is, what happens when you have a bodily injury claim, you go to the Crown insurance corporation and they deal with the issue internally with an adjuster and so on. They will arrive at some form of proposal for settlement.

If the consumer is not satisfied with that, then the consumer has a right to appeal that internally within the confines of MPIC who have a separate internal process to deal with that. Then failing a satisfactory resolution of that, it goes to the Autopac appeal commission. But the legislation is clear. The commission needs to be there to be able to hear the complaints from the public and is paid for, in fact, entirely by MPIC.

The fact of the matter is, though, in terms of bodily injury, very often bodily injuries are not very clear-cut and have long-term potential disability problems and so on. As a result, they may take much longer to settle, ultimately, because you are waiting for long-term effects to perhaps manifest themselves or whatever. It is a very technical kind of thing, and a lot of it is related obviously to the medical opinions of people and so on. So it will take some time to get rolling in terms of the numbers of appeals that ultimately will get dealt with.

If MPIC does an excellent job, they will not get many appeals. Because the situation is all so new, that is, the no-fault insurance people are unfamiliar and are not necessarily fully aware of all of the things that are available to them, and the system will have to mature over a period of time so that people will understand more, it may be that ultimately—in Quebec where this system operates there were hoards of appeals, and so far we have been fortunate in the sense that there have not been many.

Either we are not getting a lot of people injured all that seriously, or people are being satisfactorily dealt with by MPIC so that they do not need to appeal, or there are an awful lot of them in the wings waiting to ultimately come to some form of final settlement arrangement and then have the opportunity to appeal. We will not really know that for two or three years until the system has been in place long enough for a lot of these to work their way through the whole system.

**Mr. Maloway:** Mr. Chairman, can the minister advise at this point as to whether or not the appeal board is overstaffed at this point?

**Mr. Ernst:** I can tell the member that we did not spend \$800,000, we spent \$400,000, and in fact reassigned staff because the volume was not there that was originally anticipated. You still have to maintain the core of your commissioners and functioning staff there, so we reassigned a whole bunch of people and then tend to reduce their overall costs. The costs, the actuals for 1994-95 were \$466,000.

**Mr. Maloway:** Mr. Chairman, it may well happen that the appeals may increase dramatically over the next couple of years and you may, in fact, have to add more staff. I just want to make certain that there were not people sitting around, like Maytag repair persons, waiting for appeals to come in when there were not any. But I have confidence, like every other area of life, that when it becomes more well known I think over time there will be more appeals, and I think that you can probably look to the Quebec example to be a reasonable parallel—or Manitoba will be a reasonable parallel to Quebec over the long run. Of course, they have history there behind them, from 1976, is it, that they started in Quebec, the early '70s.

I do not think this department deals with my next question, so perhaps I will save it. I know that in Quebec they are allowed to use the surpluses that are raised in the fund, and they are allowed to put them into direct revenue. In Manitoba that is not allowed, and the surpluses of the no-fault program in Manitoba are to stay with the MPIC. But once again this department does not deal with that.

**Mr. Ernst:** That really does not relate to this department. They simply fund whatever—MPIC funds whatever the cost to the commission is. So we send them a bill, and they send us a cheque, so to speak, and that is that. There are no surpluses or anything of that nature.

**Mr. Maloway:** I would like to ask my question about The Business Practices Act here. The question has been asked. If the minister remembers what the question was, perhaps he would like to provide his answer now.

**Mr. Ernst:** Mr. Chairman, during 1993-94—it is outlined on the bottom of page 13 of our annual report—The Business Practices Act was utilized in the handling of 423 complaints. I might say that it is also used extensively dealing with loan broker scams, that this is the appropriate legislation for dealing with those people, and it has worked very well.

We also deal in terms of advertising, particularly misleading advertising or potentially misleading advertising, with a large number of complaints. Our people review the newspapers and things of that nature on a regular basis, and when we spot something that we think is inappropriate, we will call them and, generally speaking, get voluntary compliance.

A lot of people just do not know or never thought that, hey, looking at it from a different perspective, perhaps you are right; or they try to get away with it. But we deal with hundreds and hundreds and hundreds of situations where we have voluntary compliance. You do not need to take anybody to court. You simply point out the problem and they correct it, and we have had excellent co-operation, quite frankly, in terms of dealing with businesses in the province in voluntarily complying with changing their advertisements.

**Mr. Maloway:** Mr. Chairperson, could the minister tell us how many times the provisions in the act dealing with the seizure of bank accounts and so on have been used at this point?

\* (1610)

**Mr. Ernst:** On page 15 of the annual report, three bank accounts were frozen under The Business Practices Act. That is for the fiscal year 1993-94, and I think we have done it once or twice this year already.

**Mr. Maloway:** Mr. Chairman, I would like to ask a question about the grants. Now, I know that the department provides \$91,000 to two agencies, and I am wondering what accountability there is on these grants, if any. How does the minister ascertain that the taxpayers are getting value for these grants?

**Mr. Ernst:** There are two agencies which are funded by this department. One is the Consumers' Association of Canada, Manitoba chapter, and the other is a Community Credit Counselling Service. Both agencies, of course, file audited financial statements with us, but more importantly, particularly the Consumers' Association, they are available not only to our department but to virtually every department of government in terms of advice related from a consumer perspective on a host of issues. You virtually name it and they are quite ready to provide that advice and to provide information and to offer their opinion collectively on, say, a host of different issues related to all different departments of government. Of course, they also provide it and solicit it from time to time. When they have an issue, they bring that forward as well.

Mr. Chairman, if I may, we also run a volunteer program respecting consumer-related issues where we provide some training and some information and so on for people who will do proactive consumer education work. They will assist us with that program as well so that we can go out and talk to folks who may not be aware or have perhaps an appropriate awareness of what their rights and protections are, and we will try to provide them with that information in order to better educate them toward consumer practices, consumer protection practices, that is.

**Mr. Maloway:** My colleague the member for Radisson (Ms. Cerilli) has a number of questions dealing with Residential Tenancies, and since we are on that section right now, I would like to yield the floor to her to ask questions on Residential Tenancies and then, when that is finished, I will be asking more questions on the Consumer Affairs area.

**Mr. Ernst:** I think we kind of voluntarily agreed to give the staff a few minutes break at mid-afternoon, so maybe we will do that, Mr. Chairman, if you like, for five minutes or so.

**Mr. Deputy Chairperson:** Is it the will of the committee to take about a five-minute break? Agreed? Agreed.

*The committee recessed at 4:15 p.m.*

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#### After Recess

*The committee resumed at 4:23 p.m.*

**Mr. Deputy Chairperson:** Order, please. 2. Consumer Affairs.

**Ms. Marianne Cerilli (Radisson):** I am pleased to get the opportunity to ask questions of the minister. There are a number of issues that I want to cover.

I think I am going to start off with one that I first became aware of as a local constituency issue but, as I understand it, it affects a number of properties and tenants throughout the city of Winnipeg. That has to do with the changes in the provision of Cablevision as a bulk service to tenants, usually in larger apartment blocks.

I have had a number of different correspondence exchanges with this minister as well as other ministers of the government to try to ensure that tenants are going to be treated fairly both by cable companies, by the landlords and different property owners. I am not convinced at this point that that is the case. There are still some outstanding issues in this area that I want to get clarified.

The first thing I wanted to ask is if the minister can tell me how many properties in the city of Winnipeg had their agreements changed when the cable companies wanted to discontinue offering bulk rates for Cablevision.

**Mr. Ernst:** Firstly, let me introduce Mr. Roger Barsy, the gentleman here, who is the Director of the Residential Tenancies Branch, to members of the committee.

With respect to the specifics, there were 265 buildings that were affected by this change of practice by the cable television companies.

**Ms. Cerilli:** Of the 265 buildings, how many of those buildings have had their rent decrease fixed by the department?

**Mr. Ernst:** We do not have an exact number for you at the moment, but it is about 25 or 30 where there have been decisions taken; 265 have applied for withdrawal of service, so we have dealt with 25 or 30 of them.

**Ms. Cerilli:** Can I ask the minister to explain what is the procedure for deciding which apartment blocks are going to be dealt with first? What is the procedure for giving priority to the 265 apartment blocks that are going to be affected by the Cablevision change?

**Mr. Ernst:** If it was based solely on the application for withdrawal of cable television service, then it would be on a first-come, first-served basis. However, often you will get situations where a rent increase above the guideline is applied for in conjunction with that. So in those cases where the rent increase above the guideline has been applied for as well, then those buildings tend to take priority.

Just as an example, we have dealt with a couple—the Courts of St. James, which is the largest single apartment complex in Winnipeg. That matter has been adjudicated by the department and, I think, is in appeal at the moment with the Residential Tenancies Commission. The next biggest one, I think, just about to have its decision rendered is Whellams Lane in East Kildonan, which is, I think, the second biggest complex in the province. So we are dealing with—that one is just

about, almost the next day or so we probably will see that occur.

**Ms. Cerilli:** So I am to understand that the applications are dealt with on a first-come, first-serve basis in order of the buildings applying for rent reduction?

**Ms. Ernst:** If that was the sole basis for consideration, yes, but as I indicated, where there are situations where there is combined application, that is, one for rent increase and one for withdrawal of service, we would take the combined ones before the ones for simple withdrawal of service. Of course, they cannot withdraw the service until it has been approved.

**Ms. Cerilli:** Can I ask the minister to clarify that? They cannot withdraw what service before the rent is approved?

\* (1630)

**Mr. Ernst:** I misled the member there. What happens is the landlord makes an application for withdrawal of service and proposes a rent reduction, whatever he thinks is the value of that rent reduction. When we deal with it, and given the large number it make take some time to deal with it, but when it is dealt with then we either confirm the landlord's rent reduction or make an alternative decision, higher or lower as the case may be. It is not likely to be lower but it certainly may be higher. That is retroactive to the date of withdrawal of service. Let us use an example. If apartment A comes in and wants to withdraw cable television service and proposes that his value of that service is \$10 a month in rent, then when we deal with it we find out that it is \$15 a month in rent, then the \$15 is retroactively applied.

**Ms. Cerilli:** One of the issues is that a number of these apartment blocks have lost their service. They have had a decrease in the rent. At the same time their new leases, because it has not been approved, withdrawal of service and rent reduction has not yet been approved by the division of the government, their new lease is telling them they still have cable service. This is presenting confusion and a number of disputes, I would think, and I am wondering why the approval is taking

so long. That is one of the questions I have. It seems that this is creating a lot of confusion where if there is going to yet be an appeal, because these people cannot appeal the withdrawal of service until their rent has been fixed.

I know in my own constituency we have an apartment block complex that is in this situation where they are still waiting to know if their rent reduction is going to be fixed at the \$14 less per month. They are waiting so that they can appeal it. I guess the big question is, we have a lot of confusion and why is it taking so long for this to work through the system?

**Mr. Ernst:** You should understand, first of all, that on or about the first of January the cable companies arbitrarily decided, without warning to anyone, to take this action, so we had no clue particularly that this was coming. As I indicated, 265 buildings have applied. Many of them have different agreements; they are not the same.

First of all, there are two cable companies, one much more co-operative than the other. Unfortunately your constituency landed on the side of the other. Shaw has been much less co-operative in terms of trying to work this business through than Videon has, and we have met with both of them. The CRTC has simply thrown up their hands—they are the ones who regulate the cable companies, not our department—hands and said, we are not dealing with that.

Yes, we do have confusion, we do have some problems, and we will work through them. No tenant will ultimately lose as a result, but if people have problems or concerns I would encourage you to have them call the Residential Tenancies Branch, and we will endeavour to provide them with as much information as we can. The fact of the matter is it is a huge volume of work to be dealt with, and it simply cannot be done—there is a process you have to go through—overnight. You cannot make decisions on one building that necessarily will apply to another, because the agreements may be different.

These agreements were entered into at the time when cable first came into being in the province, where they were encouraging apartment building owners to put

cable television in, so they made deals of different kinds with various apartment building owners over a period of time in order to get them to install cable television into their properties. So each agreement has to be looked into, and there has to be determination made upon what value it affects the rent and so on. It is a very large problem that we are dealing with.

**Ms. Cerilli:** I am going to continue asking questions on this issue, but I have a phone call that I have to return. So I am going to ask if the member for Elmwood (Mr. Maloway) could ask some questions. But, before that, I would just like to ask the minister if the department would provide me with a list of the 265 apartments that are being affected by this.

**Mr. Maloway:** Mr. Chairman, just to follow up on the member for Radisson's question. When does the minister see providing us with a list of these blocks.

**Mr. Ernst:** It will probably take a couple of days or so.

**Mr. Maloway:** Mr. Chairman, the reason that I am sensitive to that is that I have asked for information from other ministers over the past and have waited a year and still have not got the information. So we have to ask when the information will be made public to us or provided to us when the minister agrees to provide the information, because we do not always get what ministers promise to give us.

Now, Mr. Chairman, I would like to ask the minister, just going back to the Consumers' Bureau for a couple of minutes, I would like to know what sort of problems the Consumers' Bureau is having with regard to the actions of bill collectors in the province over the past year or so.

**Mr. Ernst:** There are kind of two general areas where most of the problems occur. One is attempting to collect more than the actual debt. Of course, no one is allowed to collect more than actually the debt outstanding.

The other is the question of harassment. There are specific times allocated and bill collectors may not carry out their activities beyond the prescribed times

even though from time to time they do, but legislatively they are not permitted to do that. From time to time, too, they will allege that they have certain things like a court order or something like that, which they do not have. Those are basically the kind of areas where we have problems.

\* (1640)

**Mr. Maloway:** Recently, we had information that indicated that Equifax bill collectors were collecting arrears on rent and charging interest at, I believe, 24 percent, which I believe the minister responsible has taken care of, but what actions would this department have taken in this regard when this came to light?

**Mr. Ernst:** We did not hear directly from any individual. We heard from Housing with respect to this issue. We explained to them what the rules were and Equifax, as their agent, were told what they can and cannot do and the problem was cleaned up by Housing so we did not have to take any action.

**Mr. Maloway:** Would it not seem reasonable that the minister might take this opportunity to send a letter around to the bill collection community reminding them that they are not to collect interest on overdue accounts when there is no agreement to collect interest? I assume, Mr. Chairman, that in actual fact the ability to collect overdue rent and interest on there would be perfectly legal if there was a contract that allowed them to do it. But there is nothing in any rental agreement, I believe, that would allow them to do it.

**Mr. Ernst:** Any interest charged on overdue rents, for instance, is at the rate of the QB rate of interest. That is generally what is being used. I think it is around 8 percent or something like that. They are well aware of these things, but it cannot hurt to remind them, I suppose. We will look into that.

**Mr. Maloway:** In addition to that, there was an article recently in, I believe, the Winnipeg Sun two or three days ago in which a bill collector anonymously, but candidly, was admitting to certainly flouting the law, I believe, by phoning into Saskatchewan and trying to collect accounts there. He was suggesting, I believe, if

the article is correct, that in fact it is a widespread practice.

**Mr. Ernst:** That is really Saskatchewan's problem, I guess, in a sense, rather than ours. They are operating in Saskatchewan on an unlicensed basis. We have not heard from Saskatchewan and we do have reciprocal arrangements with other provinces so that if we do have a problem that occurs from time to time cross border, we would co-operate. If Saskatchewan called and said, look this is happening and we do not like it, crack down on these guys, we would assist Saskatchewan in doing whatever we could. I do not doubt from time to time that these things happen.

This is not exactly the highest calling in the business world, this type of activity. The law is there. If they flout it and they are caught, they pay the price. We have no hesitancy in investigating and prosecuting, as the case may be. A lot of times, bravado tends to take over sometimes when it is less than factual.

**Mr. Maloway:** Well, will the minister endeavour then to send a letter around to the registered collection agencies reminding them of all these laws and rules that they are supposed to follow, given that there have been two or three different examples where the rules do not seem to be followed.

**Mr. Ernst:** Well, it is anecdotal evidence at best, and I learned, particularly since being in this business, that you do not always believe what you read in the newspaper. At the same time, that is something we will give consideration to.

**Mr. Maloway:** I would like to turn the floor over to my colleague the member for Radisson (Ms. Cerilli).

**Ms. Cerilli:** I was just going through my file here, looking for the letter that was copied to the minister on this issue, and I received a response from the Minister of Housing—then it was Ms. McIntosh—but I am as yet to get any kind of response from this department and this minister, related to the cable issue.

**Mr. Ernst:** If we have not responded, shame on me, and I apologize, although staff think we have. The

staff say they have a copy of the letter we did send you. Anyway, we will get you another copy.

**Ms. Cerilli:** Okay, I would appreciate that. It does not seem to be in the file that I have on this issue. I know one of the questions I raised in the letter was in these apartment blocks that have had cable service withdrawn from their rent or withdrawn from the services and are now getting a rent reduction, was the rent reduction calculated before or after the application for rent increase of the 1 percent?

Maybe to clarify that further—I see some confusion on the face of the minister. There was a comment made earlier on this that if there was an application for greater than the 3 percent allowable rent increase—

**Mr. Ernst:** One percent.

**Ms. Cerilli:** Oh, it is fixed now as 1 percent, so those people that applied for a greater increase in the rent had their applications dealt with at a priority basis. Those that were only going to have the allowable 1 percent increase in the rent for that year, was that 1 percent calculated before or after the rent reduction for loss of cable service?

**Mr. Ernst:** The guideline for rent increases clicks in on the anniversary date of the tenancy agreement. So, if the anniversary date occurs sometime after the application for withdrawal of service, then it is calculated before. If it happens at the same time, it is calculated with or in conjunction with the rent increase, and if it, of course, occurs after, then it is after.

For instance, if the anniversary date was January 1 and the application for withdrawal of cable service came after January 1, the 1 percent would already be included in the rent January 1 and would be conducted after. But, if for instance, they applied to withdraw their cable service, again, on say the 15th of January but their anniversary date is not until April 1 or October 1, which are two common dates for residential tenancy renewal, then they would be taken off it as of the date of application, and the 1 percent could be applied on the anniversary date. So if they apply on January 15, it is dated January 15, but the anniversary date of April 1

or October 1 could have the 1 percent applied after the amount has been withdrawn. Clear as mud.

**Ms. Cerilli:** What I am understanding is then there are going to be people who have paid a 1 percent increase on services that they are not getting and that they are then paying—they have had their rent increase more than what it should have because they have had a decrease in the rent.

**Mr. Ernst:** The calculation of the amount is also calculated considering all of these kinds of issues, so it should, theoretically at least, when they deal with it, take that into account.

**Ms. Cerilli:** Have there been any tenants or tenant groups appealing their rent increase based on this, the withdrawal of cable service and rent reduction?

**Mr. Ernst:** This is a fairly complicated issue, because the ones we have dealt with and so on are issues of rent increases beyond the guideline in conjunction with the withdrawal of service. I do not think that we have had any sort of direct—but we have had a 1 percent increase and then had the withdrawal of service calculation. So it is very difficult to answer the question because circumstances, at least so far anyway, are considerably more confusing than the simple question that you put.

\* (1650)

**Ms. Cerilli:** Well, like so many of these issues dealing with residential tenancies, it seems that you need very tenacious tenants to ever follow through on any of these matters. They have to be people who are willing to put a lot of time and pay attention to a lot of these kinds of details, and I think we do find there are some tenants willing to do that, but I think what happens more is they end up wanting to trust their landlord and trust that when they do go to the division of the government for information they are going to be given full information.

Related to that and to this issue, I want to ask the minister if, under the act, tenants have the right to a breakdown in the costs for their rent so that they will be able to find out how much their landlord is having to

pay for anything that is included as a service in their tenancy agreement.

**Mr. Ernst:** That information is available when there is an application for an increase above the guideline, or within the guideline where the tenant objects.

The breakdown of those costs are available to the tenant, but if I simply walk in and I want to rent an apartment from you and I want to know what the breakdown is between the various component costs of your operation, that is not an entitlement. The entitlement occurs when an increase in rent is applied for either within or above the guideline.

**Ms. Cerilli:** So it does not apply when there is a withdrawal of service from the lease agreement?

**Mr. Ernst:** When there is a withdrawal of service, then the landlord makes an application indicating how much he is prepared to reduce the rent for that. He has to justify his case obviously to any tenant who objects and to the Residential Tenancies people.

If somebody walked in and said I want to withdraw cable service and I only think it is worth \$2 a month, we obviously are going to question that and say why do you think it is that way? what are you paying your bulk cable company for the service that you are getting? and any other questions that we might have related to that. That information would be available to the tenant.

**Ms. Cerilli:** So it is available to the tenants on a withdrawal of service. Will they be able to get a breakdown of the costs to the landlord for the rent that they are paying?

**Mr. Ernst:** You are correct that it is available to the tenant for the cost of the service that is being withdrawn, not all, but the cost of that service that is being withdrawn.

**Ms. Cerilli:** What is the rationale for that? What is the rationale for not having a policy where the tenant could find out how much of the rent is profit, how much of it is going to pay cable, hydro, property taxes, whatever else their rent is being used for? What is the reason for not having that information available to tenants?

**Mr. Ernst:** The act is predicated on dealing with the issues of rent increase or withdrawals of service and things of that nature. It was not predicated on any other purpose, so that there is preparatory information. Somebody wants to rent an apartment from somebody else, or a house, or whatever kind of space, that is their choice.

They make a decision based upon what the landlord asks for. The landlord may or may not make a profit. There may or may not be, you know, with the fluctuating costs of utilities and other services, mortgage interest rates, a hundred and one other things that relate to the operation of a building are the landlord's business, and if you want to rent an apartment from him, based upon an agreed upon amount of money, that is your choice. You do not have to rent the apartment.

However, once in, or once having made that rent, then you are subject to all the applications of The Residential Tenancies Act which deals with the question of increases in rent, and the costs associated with that, or withdrawals of service and related costs of that. So you are protected, once in, by The Residential Tenancies Act in terms of changes to the contract you have originally signed on to.

**Ms. Cerilli:** Is the Residential Tenancies Branch privy to information on the breakdown to property owners?

**Mr. Ernst:** For applications for rent increases, yes, as are the tenants. They are invited to come in and look at it. If a landlord puts in an application for a 3 percent increase in rent, the tenants are all notified. Information is available at the Residential Tenancies Branch. Tenants are invited to come in and peruse the information. Tenants are included in all the hearing processes that are associated with it, and they are entitled to ask questions, I believe, as well, with respect to those proposals.

Let me tell you just in general terms. I have been minister of this department for two and a half years or so, and I can tell you all the landlords I talked to think it is slanted in favour of the tenant, and all the tenants think it is slanted in favour of the landlord. So maybe we are doing something right in that neither of them are

happy, and we are probably doing what we are supposed to be doing in terms of trying to be fair in the overall scheme of things, but anybody who does not get what they want thinks it is unfair. I should not say "anybody," but the "many" think it is unfair if they do not have it go their way, so to speak.

**Ms. Cerilli:** I am going to come back to this kind of issue in a moment. I just want to finish up in dealing with cable, the loss of cable service, before we go on to some of these other issues in terms of resident tenancies rights and fairness, and the kind of things that the minister is alluding to.

I just want to ask the minister, when the cable companies first made it known that they were going to withdraw the bulk service and they wanted to discontinue all these agreements with property owners, how did the department and the minister respond? Were there any discussions with the cable companies to discourage them from doing this, to consider the pending confusion that would result? How was the case made to them?

**Mr. Ernst:** Again, there were several other issues associated with this occurring just at the same time, negative-option marketing being one of them. I did not meet with them, but staff met with the CRTC staff to determine their role in this whole process and did not get very far but had the contact nonetheless.

I met with the senior staff along with representatives of Shaw and Videon. We got reasonable co-operation with Videon. We did not get any co-operation at all from Shaw. I met with the local manager and the vice-president from Calgary of Shaw and the local president and general manager of Videon here in Winnipeg.

\* (1700)

**Ms. Cerilli:** Was there an appeal made to maintain this as a service? I understand there are some apartment blocks that have not chosen to withdraw the service. There are some that are actually then paying for it as still included in the rent at a higher rate. Was there an appeal made for the cable companies to reconsider, and then was there any attempt to have apartment blocks consider continuing to include it in the rent?

**Mr. Ernst:** We asked them to continue the bulk-rate service to the landlord and the landlord, in turn, would pass that through to the tenant until the end of the tenancy agreement period. In other words, if your lease expired July 1, we asked the cable company to continue, in conjunction with the landlord, the reduced cost to the landlord for bulk service until the end of the tenancy agreement, at which time it would be withdrawn. The service would be withdrawn when the tenant signed a new tenancy agreement, and then rent would be adjusted accordingly and so on.

In some cases that happened, and in other cases it did not happen. Some landlords may choose not to withdraw the service and are simply eating the additional cost. Some are eating part of it and passing part of it along. There are a number of different scenarios.

**Ms. Cerilli:** Would the minister agree that this has, from a tenant's perspective, amounted to a rent increase, a way around having an increase more than the guideline in the tenant's rent, given that the purchase of cable service after the withdrawal of service from the rent agreement is more than it was accounted for in the rent reduction?

**Mr. Ernst:** No, I do not agree. A landlord is no better off one way or another. If the bulk service rate to the landlord was \$10 a month and the cost of purchasing individual line service is \$16 a month and the landlord is reducing his rent by \$10 a month, he is no better off. So the landlord is not getting any additional money.

Who is better off is the cable company. They are the ones who are benefiting from the increased costs because they are now not providing service. What they did is—I should tell you this from my own experience in a former life—where cable companies volunteered most magnanimously where landlords owned the wiring in the building, they came out and said, we will handle all your wiring for you in the future. You turn ownership over to us and we will maintain it for you.

Well, there is no maintenance to speak of in those kinds of things, but what it did, it prevented landlords from doing two things: one, installing a satellite, which could have provided separate service, different service

to its tenants, because if the cable company owned the wiring, then they could control that. The second one is that if they can control the wiring in the building, of course, then they have the opportunity to put individual lined service into each unit.

If the landlord owned it, he could control what happened, but if the cable company owned the wiring, and I suppose there were lots of landlords who simply said, why should I worry about an additional expense, give it to them. I do not know the legalities of that but I suspect if you signed them away it becomes the property of another party and you would have to buy it back if they would sell it.

The bad guys in this scenario are the cable companies, not the landlords.

**Ms. Cerilli:** Yes, in dealing with this, I guess I would agree with the minister, but the minister is also responsible through this department dealing with CRTC as well as dealing with the residential tenancy side of it. So I think that there is, I guess, a double onus on the minister in dealing with this.

**Mr. Ernst:** We do not take any jurisdiction over CRTC.

**Ms. Cerilli:** No, I realize that you do not have jurisdiction over CRTC, but when I was reading the list of legislation that you are responsible for, I recall that it is a Consumer and Corporate Affairs issue, that you would have more authority over this wearing that hat as well as wearing the responsibility for Residential Tenancies.

**Mr. Ernst:** Well, the fact of the matter is though that under any, there are all kinds of exclusions or other jurisdictions associated with particular areas of jurisdiction. I mean, the CRTC controls cable television. It is a consumer issue, but we do not control it.

(Mrs. Shirley Render, Acting Chairperson, in the Chair)

There are other types of exclusions too. We do not have ultimate control over everything. You know,

there are areas where you have control and areas where somebody else has control, and there are areas that fall between the cracks where nobody has control so to speak or where they refuse to exercise their control or interpret it differently one way to another.

**Ms. Cerilli:** We are seeing more deregulation in a way in this area, and we are going to continue to see that.

My concern though, at this point, is if we can see the same approach used in other services that are provided to tenants, if we can see this happening with other utilities, for example, and if then we can have tenants being forced to pay increasing costs which will then be outside of their lease agreement, if that is something that could happen.

**Mr. Ernst:** Certainly. The costs, of course—for instance, if a landlord, who presently is providing hydro on a single meter to all the people in the building as part of the rent, chooses to rewire the building and put in individual meters for each unit and charge the tenant therefor, they are entitled to do that. They make application, withdraw the service. We would affix a value to the hydro that is being provided and reduce the rent accordingly, and then the actual cost of hydro would be billed directly by the utility to the tenant.

You know, in commercial lease terms you are looking at not exactly what is called a triple-net lease where the landlord for his investment in the building is provided a certain amount of rent. All of the costs of running the building are passed through to the tenant on a prorated basis, so now there is no guessing, whether he guesses too low or guesses too high in terms of setting his rent, there is no guessing anymore under a triple-net lease which happens quite often commercially. Taxes, every cost of operating from utilities to snow clearing to common advertising to all kinds of things are all passed on a prorated basis directly through to the tenant, and the landlord simply gets the return that he expects on his investment.

Ultimately, that may happen. I do not know whether that will happen in a residential basis or not, but it might. It is conceivable at some point down the road that might become common practice, but every time it happens, of course, we have to affix a value to the

withdrawn service and have the rent reduced accordingly.

\* (1710)

**Ms. Cerilli:** It is an example, from the tenant's perspective again as well, where you can have very large companies ganging up on the little guy. Tenants, I think, feel very powerless. I am wondering if there is a trend towards, particularly with utilities, having individual metering done in Manitoba.

**Mr. Ernst:** The tenant is paying in any event, whether he is paying—at least the tenant knows when he gets a bill directly from the hydro he is paying the exact amount that he used, so to speak, as opposed to having a guesstimate included in the overall rent where it is provided as an included service.

Practices in buildings that are constructed from time to time and so on vary depending upon the time that they were built. During the early 1970s there was a push on by Manitoba Hydro to encourage electric heating, so when a number of apartment buildings were built in that period of time they were encouraged to put in all-inclusive, one-metre type of situations.

Where a building is not heated by electricity but heated by gas, very often the electricity is metered individually for those units. It is all over the place. It depends really on when the building was built and what the current practice was at the time.

**Ms. Cerilli:** Just to conclude that thought, I guess from a sustainability point of view you do not want to be encouraging bulk rate reductions for use either. That is what I am getting at, if there is a reduced rate, if there is a higher consumption and if we are going to be moving away from that into individual metering. On one hand it could be meaning increases for tenants, as it did with the cable issue where there was a reduced rate for the bulk use. On things like hydro or water consumption we do not want to be encouraging that anyway. We do not want to be encouraging cheaper rates for the more you use.

**Mr. Ernst:** Let me tell you that the government is not encouraging anything. This legislation was set up as a

court, if you would, for landlords and tenants to have their problems resolved under certain guidelines and ways of operation and policies and so on. We are not going out and encouraging anybody to do anything, but we have to respond when actions occur in the private sector with landlords or tenants or whatever. We are not encouraging anybody to do anything. We cannot handle what we have now.

**Ms. Cerilli:** I am just continuing to think on this issue of bulk use. There has to be a way, I think, of protecting particularly low-income tenants who could be then facing increased costs for utilities without truly increasing their consumption of that utility. That is what I am concerned about, if we are going to see a trend in having, maybe it be more simple for the billing from the landlord's point of view, but we are going to see an increase in charges for tenants. That is my concern with raising these

**Mr. Ernst:** There are no trends that we are aware of.

**Ms. Cerilli:** Just for the information of the committee, as the Housing critic for our party I will be focusing on issues relating to the Residential Tenancies Branch, but I also will have some questions relating to the Real Estate Board and some questions, as well, eventually on the Securities Commission as relating to the Real Estate Board.

But right now I want to go to the issue I was raising in Question Period today which was to do with the Residential Tenancies Branch's ability to enforce work repair orders on tenant properties or leased properties.

I am concerned that there is not an automatic referral of city health inspector work orders to the Residential Tenancies Branch, and I wanted to ask the minister if that is something that we could look forward to having in place in Manitoba.

**Mr. Ernst:** As I indicated to the member earlier, it is the City of Winnipeg's mandate and responsibility to enforce minimum standards with respect to their buildings. They have a minimum standards by-law; an occupancy by-law; health by-law; fire upgrading by-law and probably a host of others that I have not mentioned.

We have met with them on more than one occasion to talk about these issues and so on. They know that we have certain powers under The Residential Tenancies Act to enforce some of these things, but it is their choice.

They are the authority with respect to these issues, and if they think they need enforcement, then they will contact us. We can return rents and carry out repairs or do a number of things. We have fairly broad powers under The Residential Tenancies Act in order to do that.

I guess it depends on the eye of the beholder and how long and what are the circumstances surrounding each individual circumstance. I do not know.

**Ms. Cerilli:** I started bringing some circumstances forward because I am quite concerned that the minister has said there are only two or three properties that have been taken over by the government in terms of collecting rents—maybe I can clarify that. The minister says there are only two or three where they have actually taken over the management. Maybe there are more where they have taken over collecting the rent, if the minister wants to clarify that.

**Mr. Ernst:** As I said earlier, we have a wide variety of powers under this act. We have in only one case ever actually taken over direct management to the property, and that was a case in Thompson at Cree Road properties.

We have one currently on Young Street that has been the subject of some discussion of recent time, where in fact we are taking the majority if not all of the rent in order to satisfy a variety of outstanding bills and to meet repair requests and so on.

Most of the time where a repair problem comes up, we will take only sufficient rent to correct the problem. Once the problem is corrected, then life goes on. If it occurs again, we will do it again. But we have an ability to take portions of rent or all of the rent or anything in between, up to and including a court-ordered receivership situation where we would apply to the court to take control of the property. Most of the time, in most of the cases, we are able to deal with

those issues by simply taking some of the rent sufficient to cover repairs that have been undertaken for one reason or another.

\* (1720)

**Ms. Cerilli:** Getting back to the larger issue though of having the powers of the act from the provincial government govern the city, could the minister compare for me the powers that the city has to enforce their inspection work orders as opposed to the provincial regulatory powers?

**Mr. Ernst:** I should point out to the member that the city, as I said earlier, has certain mandates and legislative authorities and powers under their by-laws and so on, to regulate and to carry out inspections and enforcement of their regulations.

By and large, they have large inspection staffs both in health and in building occupancy. They have dedicated a counsel within the city Law Department to prosecute a number of these issues and so on. Wherever a tenant complains to us that repair activity is not being done that needs to be done, we investigate, but we do not have either a mandate nor the staff to go out and inspect every property for compliance.

As I said, the function of the Residential Tenancies Branch is primarily that of a court to try and deal with the complaints and problems that come to it as a result of landlord-tenant relationships. The enforcement of minimum occupancy, health and safety standards rests with the City of Winnipeg. If they want to use us they will use us, if they do not they do not. That is their strategy, not ours.

(Mr. Deputy Chairperson in the Chair)

We have certain powers that enable us to do things that they do not. If they want us to take \$200 of rental income in order to patch a hole in a wall we can do that, but they have first of all to identify that there is a problem and secondly issue an order or whatever against it. Whenever a tenant complains to us we check with them to see if there is an order against it so we can deal with it.

That is the basis upon which the residential tenancies legislation was put into place.

**Ms. Cerilli:** Perhaps the minister could go through then the process that is used with the Residential Tenancies Branch when they do their own inspections and you find that there has been a complaint and you find that there is an unsafe situation and you issue a work repair order. What is the ensuing procedure, including all the options for the landlord?

**Mr. Ernst:** Essentially it works like this. A tenant will phone Residential Tenancies and lay a complaint. We will send out an inspector to look at the problem and determine if first of all it is reasonable and secondly to determine if it is urgent or semiurgent or a longer-term kind of problem. Regardless of the case, we discuss it with the landlord immediately and then indicate an appropriate time for compliance, if it is urgent, if it is immediate, and so on.

That is appealable by both the landlord and the tenant. That appeal period is 14 days. Once that has been concluded, then we will issue an order and, if necessary, redirect the rent to pay for it.

**Ms. Cerilli:** So the decision to redirect the rent is supposed to occur automatically if there is no appeal after the 14 days by the landlord and the work order is not done in the prescribed amount of time?

**Mr. Ernst:** We try to be reasonable in this whole process. For instance, if the job has been started but not yet completed, if parts have been ordered and not yet received because of a longer period of time required to obtain them, you know, we try to use common sense in this whole process, but there may be a period of grace granted. If the landlord is demonstrating good faith and attempting to fix the problem but is held up by one reason or another that is quite legitimate, then we are prepared to be reasonable too, but if they are dogging it, then it happens right away.

**Ms. Cerilli:** I guess it is safe to say that I am going to hear about the cases where the landlord is dogging it, and those are the ones that I am going to hear about, but I can tell you I have heard of cases where, after the 14-day appeal, there is an agreement that the landlord

is going to do repairs by a certain date. When that day is approached, they will apply for an increase in the time duration that they have to do the work and that will continue on sometimes for a period of years, is what seems to happen.

I wonder what the considerations are for that kind of an extension in the time available to comply with the work orders because, then, what will happen, I think, in cases as well is, they can appeal it again after there has been an extension. Then it is another way it seems for the tenant to be in a position where they have to again go through the whole appeal process. I know of situations where this has been dragged out for many months.

I would like the minister to confirm if in fact what happens is, once the date for the deadline for the repairs to have been completed is approaching, the landlord can apply for an extension of the deadline for that work order.

**Mr. Ernst:** If you have a certain circumstance that appears unreasonable to you, please bring it to the attention directly of myself or staff of the Residential Tenancies Branch. We will investigate and determine what exactly happened as opposed to what somebody might think happened.

**Ms. Cerilli:** Well, my question, though, was the policy and the criteria for giving an extension. The minister has said, if they have begun the repairs and it has not been completed. My concern is that often there will be a delay because then there has to be an inspector that goes out again and the tenant is left waiting. Once there has been an application for an extension of the work order, that seems to buy a little bit more time for the landlord, and we have this dragging on where repairs are not done.

What I would like is some confirmation on the policy and the criteria for applications to have the deadline for the work order extended.

**Mr. Ernst:** I think I explained that already. I said also at the same time we try and use common sense. There may be a circumstance from time to time that occurs where subterfuge is being applied by one party or

another. Human beings are also involved in this process all the way through so judgments may not always be as accurate as they should be. Nonetheless, I think if you have a particular problem that ought to be dealt with bring it to our attention and we will certainly address it.

**Ms. Cerilli:** Part of the problem in this process is that it continues to be complaint driven on behalf of the tenants. I am wondering if when the landlords apply for an appeal within the 14 days, is there a fee and what is that fee?

\* (1730)

**Mr. Ernst:** I believe the fee is \$15 for general matters and \$50 for orders of possession.

**Ms. Cerilli:** So that is the fee that the landlord pays because my second question was going to be the fee that the tenant has to pay if they want to appeal, let us say, the deadline for completing the work order.

**Mr. Ernst:** Only certain items have a fee attached to them so that, for instance, issues related to repairs have no fee attached for either party.

**Ms. Cerilli:** So that means that the landlord can appeal it within the 14 days and there is no fee?

**Mr. Ernst:** That is correct. That is right, and so can the tenant.

**Ms. Cerilli:** Oftentimes that will occur on the 14th day of the 14-day period. We get into confusion if it is a work day or a weekend and some tenants have been confused by that. But how long, once the appeal has been applied for, is there a decision made with respect to the work order?

**Mr. Ernst:** The Residential Tenancies Commission dealing with appeals generally operates somewhere between 30 and 40 days for matters that are not urgent, and for matters that are urgent, they reserve a portion of their time, because they are scheduling these things for some considerable period in advance, two, three, four weeks, so they reserve a portion of their time in there for matters of an urgent nature. They will be dealt with

as quickly as hours, depending upon their level of urgency, so anywhere from a few hours to a day depending again upon the circumstances. But they have been quite good in terms of dealing with issues that are very emergent.

**Ms. Cerilli:** So on the issues that the branch deems nonurgent, then, it can be 30 to 40 days where the tenant is waiting for a decision, simply on the appeal, where they will continue to have to live with the nonrepaired state.

**Mr. Ernst:** Well, it depends again what a nonrepaired state is. If there are two screws missing from a door, they might have to live that long with the two screws missing until eventually it comes up. If there is no heat in the premises, that is going to be dealt with immediately, or no water, the plumbing fixture does not work or those kinds of things that are urgent and require attention will be dealt with on an emergent basis.

It may be a decision that the tenant wants the ceiling painted in the bedroom, and it does have a coat of paint. It is not as fresh as it once was but that might take a period of time. Those are pretty extreme cases on both sides. Hopefully, common sense will apply in the whole issue related to when these things get dealt with and when they are ultimately resolved.

**Ms. Cerilli:** I would like some examples then—I do not know if this is listed in the annual report—some examples of urgent repairs that were done and the time that it took to do them and then compare to that some examples of nonurgent repairs and the time that it took to do those.

**Mr. Ernst:** We will undertake to get you those, but it will not be today and likely not tomorrow.

**Ms. Cerilli:** How many inspectors are with the Residential Tenancies Commission that are doing the follow-up on the complaints?

**Mr. Ernst:** Can I inquire, is this related to repairs only or other issues?

**Ms. Cerilli:** We will start off specifically with repairs.

**Mr. Ernst:** Mr. Chairman, we have two staff in Winnipeg dedicated to that, one in Brandon, one in Thompson, who do that on a shared basis. They are not totally dedicated to that. That is part of their duties in those other places.

**Ms. Cerilli:** How many rental properties do you think there are in the province of Manitoba?

**Mr. Ernst:** I do not know how many properties there are. There are 135,000 residential tenancies. Mr. Chairperson, 750 of those will occur in the Courts of St. James, 500-and-some-odd occur in Whellams Lane. We get about 500 requests a year for service related to repairs. Those are dealt with by the staff.

**Ms. Cerilli:** Some pretty busy staff, I would think.

I guess that the other question I wanted to ask was the amount of time that it would take to follow up on the repair orders. It seems that there is going to be a lot of room here for repairs to go unmade from the time that a complaint is first launched, and this is just if it is done by the Residential Tenancies Branch itself. When those two staff in Winnipeg can get around in a month or two months time, I think what we can see is we have a system where tenants can be waiting an awful long time to have an inspection done. That is not even considering the additional wait if it is being done by a city health inspector and the problems that they seem to be having with their enforcement.

**Mr. Ernst:** Generally speaking, in many instances we do not even have to inspect. A tenant calls us, tells us there is a problem. We phone the landlord. The landlord fixes it, and that is the end of it. Very often we do not even have to inspect. We phone the tenant back: Is it fixed? Yes, everything is fine, no problem.

I would guess that somewhere in the high 90 percent of all of the rental units in the province of Manitoba we do not have any problem. The landlords operate the buildings. The tenants respect them, and they live in a reasonably happy existence.

What you are going to get in these circumstances is those areas where there are either continuing or isolated problems, depending upon what the circumstances are,

and that tends to focus our attention collectively a lot more than the hundreds of thousands of units out there, or thousands of units out there that operate quite satisfactorily for both landlord and tenant.

\* (1740)

**Ms. Cerilli:** We can get at some of those issues in a moment, but I just want to the minister to know that I am aware of a group in the downtown Winnipeg area that has brought to the attention of the city, and perhaps the branch as well, 45 properties just in the area where the Legislature borders on here. It is a large problem, I would say, in certain areas of the city. For those people who are forced to look for reasonably priced accommodation, it is a very serious problem.

In my own constituency I get complaints on an ongoing basis. It can be things like leaking roofs and improperly maintained windows, unsafe doors that do not open and lock properly. There is a lot of wiggle room here I think too with the fact that I hope there are criteria. I have asked to see criteria for determining if something is urgent, and I hope that I can get that. I want to go back to the initial question that I had with trying to look at what is happening in the city of Winnipeg where there may not even be the involvement of the Residential Tenancies Branch from the outset, where we are relying on the city health inspectors.

What I hear is that they are often quick to respond but it seems that there is nothing resulting from the inspection. I would urge the minister to undertake discussions with the City of Winnipeg to see an automatic referral of those city health inspection work orders to the Residential Tenancies Branch. I am wondering if he is agreeable to that.

**Mr. Ernst:** I thank the member for her advice and I will certainly give that consideration.

**Ms. Cerilli:** Further to that I want to ask the minister, other than the two inspectors that actually go out on repair requests, how many staff are there in the division that are doing the phone calling to the landlords when there is a complaint? Is that additional people? How many additional people?

**Mr. Ernst:** There are seven front-line intake staff that receive complaints and try to resolve them on an emergent or quick basis. They are the ones who would receive the complaint, check the tenant, check the landlord, and then if there is further follow-up or inspection required, pass it on to the inspector.

**Ms. Cerilli:** How many backlog inspections are waiting currently?

**Mr. Ernst:** We do not have a number for the member at the present time.

**Ms. Cerilli:** I am sorry, I did not hear the minister's answer.

**Mr. Ernst:** We do not have a number with respect to that. We will have to check.

**Ms. Cerilli:** I would appreciate that. Further to my urging the minister to consider consultation and discussions with the City of Winnipeg so that there is a better enforcement and using the powers of the province throughout the city on all work orders, I am wondering if the minister could explain what the city has said, if this has been discussed. What is their reason for not automatically referring all the city health inspectors' work orders to the provincial government?

**Mr. Ernst:** The city is of the view that they wish to try and obtain compliance with their orders and that they do not want to use a sledge hammer to kill a fly, to use that circumstance. If they can get compliance with their order, and in many cases—I do not know for sure, but I am guessing that they do get compliance in an awful lot of cases—then that is in the best interests of the city taxpayer, I guess, as well as the provincial one. But they do not come to us until they feel they cannot get compliance.

**Ms. Cerilli:** And I wonder how long that takes.

**Mr. Ernst:** I have not the foggiest idea.

**Ms. Cerilli:** I am going to get into one specific case here, and maybe you will not be able to answer this right now, but you can pass me the information later. Have there ever been any provincial inspectors out to 117 Harriet?

**Mr. Ernst:** We will have to look into that.

**Ms. Cerilli:** How about the issue of third-party complaints? Is it allowable for a nontenant to call the department and ask for an inspection? I will explain why that is important, and I am going to get into two other issues in this area that are posing a real problem for low-income Manitobans, particularly if they are on social allowance.

We have a situation where a tenant is living in an apartment. There are unsafe situations, it is substandard, and they are hesitant to make a complaint, because then if they do and they end up having to move, they are not going to get a good reference to be able to find a new apartment. A lot of people would be best served if they could have a third party call in the complaint. Is that something that is available to citizens?

**Mr. Ernst:** I should point out, Mr. Chairman, that we do need to know first-hand information. We need to be able to question circumstances and other things surrounding those particular issues. I can tell the member that no landlord would ever get an eviction or anything of that nature because someone went to the Residential Tenancies Branch to deal with an issue. What happens, we deal with 10,000 or more complaints a year in the Residential Tenancies Branch. So there would be an awful lot of tenants out on the street if that were to occur. There are also other protective measures for tenants that if they do lodge a complaint and they are harassed or any other action taken by a landlord, it is not permitted and will not be tolerated.

**Ms. Cerilli:** So is it available or open for a friend or relative to call on behalf of a tenant to request an inspection?

\* (1750)

**Mr. Ernst:** To lodge a complaint with the branch on behalf of someone and there is legitimacy to it and we are able to determine that from discussions with the person, then I am sure that would occur, particularly in the case of the elderly where they are confused, they do not understand that kind of thing so the son or daughter, uncle or brother or somebody phones and

says there is a problem with my mother's apartment, can you go down there and deal with it. I am sure that is a reasonable circumstance.

Similarly, if someone is not necessarily conversant, particularly in English, then if someone phones on their behalf for that circumstance also we would deal with that. But we need to be able to ascertain the information necessary to give credence to a complaint, and if we are able to ascertain that information then the complaint would be accepted.

**Ms. Cerilli:** How about if it is a residents' group. There are a number of resident organizations that are concerned that it may be there are a few properties in that neighbourhood where they know that there are unsafe structures. The one that I was referring to earlier would fall into that category. Could tenants or residents or homeowners in the neighbourhood act on behalf of their community and ensure that there are going to be inspections done and work orders followed up?

**Mr. Ernst:** The answer, Mr. Chairman, is technically yes; the director can act on his own initiative. At the same time we are not on any fishing trips. We are not out to assist one party to harass another, or to act on speculative ideas because someone thinks something might be wrong with the building, that it is structurally unsound or unsafe. Given reasonable evidence, the director can act.

**Ms. Cerilli:** I just want to clarify how much time we have left.

**Mr. Deputy Chairperson:** Order, please. I would like to suggest that this section of the Committee of Supply temporarily interrupt its proceeding, so that Madam Speaker may resume the Chair to permit the House to determine whether there is an agreement to amend the previously agreed-to sitting hours for tomorrow morning. [agreed]

## EDUCATION AND TRAINING

**Mr. Assistant Deputy Chairperson (Gerry McAlpine):** Order, please. Will the Committee of Supply please come to order. This afternoon this

section of the Committee of Supply, meeting in Room 255, will resume consideration of the Estimates of the Department of Education and Training.

When the committee last sat, it had been considering item 1.(c)(1) on page 37 of the Estimates book.

**Mr. Gary Kowalski (The Maples):** Mr. Chair, I would ask leave to make some opening remarks. I have not had an opportunity up till now.

**Mr. Assistant Deputy Chairperson:** The honourable member for The Maples is asking the committee for leave for opening statements. What is the will of the committee?

**Some Honourable Members:** Leave.

**Mr. Assistant Deputy Chairperson:** Leave has been granted.

**Mr. Kowalski:** I will make my remarks short. I will not infringe on the good will of the committee. First of all, I would like to congratulate the minister for her appointment. I have always prided myself on being a workaholic and spending quite a few hours here, but in the late evenings here when I am leaving, often I see the minister leaving at the same time. So I know we are going to have a hard-working minister in this branch. I hope that she will be one of the best Education ministers that this government has had, and I will leave off the snide remark that goes with that.

One of the blessings, and there are very few blessings from the results of the elections for myself, is that education has always been my first interest. Recently I have been given the role of Education critic for the Liberal members in the Manitoba Legislature, and that has been one of the blessings because probably education is what attracted me into politics right from the time I became a school trustee. It has been of a keener interest than justice because I see a correlation between crime prevention and the importance of education.

But my view of education is that throughout North America the debate on education has been captured by the corporations and other people from the right wing

that have been saying what a poor job the educational system has been doing, in the meantime ignoring the fact that in North America job training by corporations, their spending is far less than anywhere else in the world, and by criticizing the public education system, it tries to deflect away from their responsibilities for job training and education.

Secondly, I think the debate has been steered to believe that education is nothing more than job training. Education is much more than that. It is creating individuals who are good citizens, people who are learners, and we should not equate education, both in our K-12 and in our post-secondary, just with job training.

Our universities' and community colleges' job is not to provide employees to IBM and General Motors so that they can make a profit. It is to allow individuals to achieve the best that they can achieve as individuals and provide IBM, General Motors and other major corporations with good citizens, people who can learn. Then it is their job to train the people for their specific needs. I think too much of the debate has been—well, you could almost say it is a conspiracy to deflect from their responsibilities.

Some of the comments I heard earlier—I have to admit that, as much as I want to be a good critic for Education, because of our numbers and our lack of resources, especially in this first Estimates session since I have been appointed critic, I will not be able to give it all the attention I would like to, but some of the comments I heard about were that because the Conservative Party formed government that it is a complete mandate for everything that was in the reform package.

I would have to argue with that point. The thing to remember is that 57 percent of the population of Manitoba did not vote for this government. That does not mean that 57 percent of the people disagree with the reform package, no more than it means that 57 percent of the people disagree with gun control or any other issue. As opposition, if we take the election results of all government policies that it is a mandate to do whatever they wish, then the opposition might as well go home and come back four years later.

We have an important role. We represent people of different viewpoints. Nobody owns a good idea. I am hoping that my experiences as a student, as a parent, as a police officer, as a school trustee, just as every other honourable member in this Legislature brings experiences and knowledge, we could add to the debate and not always be in opposition, not always be in conflict, but we could do what is good for the students of Manitoba.

Just on standardized testing, I would like to make a few remarks. When I first got involved in the school system, first on parent committees and eventually school trustee, I shared many of the concerns many parents had with the educational system. Earlier in the Estimates process there were some claims that certain candidates in the last election discounted parents as being unknowing, but I have to admit that many of my views as a parent and even as a parent committee member in the schools changed as I became more knowledgeable as a school trustee.

\* (1500)

One of the best things I ever did was join the Association of Curriculum and Development and through the training courses, through them I not only learned the jargon about outcome-based education, performance-based assessment and that, I learned that education is not a simple thing. Every parent who teaches their child to count or know their ABCs thinks that they can be a teacher. Now I have a niece who is in third-year education, I have a daughter who wants to be a teacher and I have been a school trustee. I know some of the simplistic solutions that are sometimes offered and may be popular, that it discounts the expertise that we have in Manitoba about educational theory and practices. So I do not want to accept simple solutions to complicated problems dealing with complex individuals.

On standardized testing, I know as a parent what I wanted to know was at the end of 12 years of education where would my child be. I do not want any surprises. Standardized testing, will that tell parents that their child, in my case Seven Oaks School Division, has received an equal education to someone from a private school or someone from a different school division? It

may or may not because there are so many other factors, everything from what happens in our home, what is happening in our community, what resources, and the most important element is the quality of teacher.

I have worked in the core area as a community police constable, I have been a school trustee in the suburbs, and the factor that seems to have the most impact on the success of the children is the quality of teacher and the caring of the teacher. If standardized testing, in some way, will assure that the teachers are the best that they can be, I would be all for it but I think it is limited. Standardized testing does not have to be multiple choice. It does not have to be a computer-marked paper.

In a course I attended in Toronto by the Association of Curriculum Development on performance-based assessment, it showed that everything from standardized marking of essay answers to standardized testing for process answers to take an unknown substance in science using standard practices that were taught all year to determine what the substance was and grading not necessarily the right answer but the process used is a form of standardized testing.

So I think we have to keep an open mind about it. I think we have to look at the objective. I hope we all work together to assure that Manitoba's educational system is the best it can be. Thank you.

**Mr. Assistant Deputy Chairperson:** I would like to thank the honourable member for those comments.

**Hon. Linda McIntosh (Minister of Education and Training):** Mr. Chairman, I would like to also thank the honourable member for his comments. I know the member to be a constructive critic, and I look forward to his input on our work as we carry on with education reform. I liked it when he said that no one owns a good idea. I agree with that. I am also pleased to hear him acknowledge the good that is in the present system because there is good in it.

When the member stated that things are not simple, things are not black and white and you should not be simplifying things down, it is also a statement I agree

with because too often critics have said, I heard that standardized tests are not good, so therefore the whole package is not good, and not recognizing that we are not talking about standardized tests in the traditional sense of the word that I think you were referencing, and we are talking about measuring for standards.

A simple way to put it would be on a typical standardized test where you mark on bell curve, you have some students passing, some students doing well and others in that top of the bell, sort of in the average group, you have one type of testing, but when you are testing for standards, one analogy that I could use might be a swimming badge.

If you are taking your senior swim badge, everybody in the class will work toward that standard of achieving whatever the standards are for your senior swim, and it is quite possible that every single person in that class would reach the standard of being able to swim and life save to a certain level. So when that person indicates to anybody who is interested, I have my senior swim badge, the person knows the standard that has been met.

Also, before you can go on to get your senior swim badge, you must have your intermediate swim badge to know that you have the proper prerequisites and that foundation before going on to the next level of learning or acquisition of skills, or in this case, physical prowess that you need to be prepared at each level.

If you do not know where a person is in terms of junior or senior swim, they could be put into a senior swim class with the foundations lacking and not meet success achieving that senior standard.

So there are different things that are meant by testing or different reasons the testing is done. When we talk about testing and probing to see if a person can problem solve, has been able to acquire, absorb and utilize knowledge to have some diagnostic tool available for that good teacher so the teacher can look for strengths and weaknesses and help improve that child's learning situation, those are things that are generally regarded as good by caring teachers and generally regarded as good by parents who like to be able to assess how their child is doing and if their child

is progressing in a positive way through the education system.

So I guess when people talk about tests each person references that word from their own perspective, and each person will colour the word "test" with their own perception of what they think it means. So as we go through this, knowing the member to be truly and genuinely interested in education and also a constructive person, I hope that you will do that open-minded thing and look for pulling out the definitions that we are entertaining here and apply them to your own terms of reference to see if they fit with that thing you would like to see for your children when they graduate.

I will not go on too much more except to say I am pleased that the member has been assigned the Education critic position, and I look forward to his assistance and criticism as we go through this process.

**Mr. Assistant Deputy Chairperson:** I thank the honourable minister for those comments.

**Ms. MaryAnn Mihychuk (St. James):** Mr. Chairperson, yesterday we talked briefly about the Boundaries Commission. I would like to follow up on that area of endeavour. It was a major initiative by this government and one that is continuing.

Firstly, may I ask, is this the appropriate line to ask about boundaries, since it is not separated through the Estimates? [interjection] This is the appropriate place, thank you. I will be asking a series of questions on the Boundaries Commission.

One of the questions I have is, yesterday when we talked about the commission we learned that in '94-95 the cost of the commission was \$370,000, in '93-94 it was \$250,000, and we anticipate that in '95-96 it is \$40,000. Is that the total cost incurred by the Norrie Boundaries Review Commission?

**Mrs. McIntosh:** Yes, it is, Mr. Chairman. Just on this topic, you had asked yesterday and I had said I would bring some information for you today, which I do have. I will table it now. I have two copies that you may wish to share with the other members there, and that may assist you in asking the questions you want or

seeking clarification on any of the points that might be on those sheets.

**Mr. Assistant Deputy Chairperson:** Let the record show that the Clerk will table and distribute to the members of the committee. I thank the honourable minister for the submission.

**Ms. Mihychuk:** Can I ask the minister, is the intention to hold the commission together as we proceed through the process? My understanding is that this will take two to three years before it is completed.

\* (1510)

**Mrs. McIntosh:** Mr. Chairman, no. Once the commission itself has given its final recommendations it will be another group—and the commission recommends that it be another group that looks at any implementation, if there is any, of boundary changes. They have recommended that we use different people to implement, and that is the route we will go.

Having said that, of course, they have also indicated they will be available at the end of the phone if we ever needed them for clarification or anything like that, which we also very much appreciate.

**Ms. Mihychuk:** When would we anticipate the final report from the Norrie commission, and when would the new implementation group come on stream?

**Mrs. McIntosh:** We are expecting the Norrie commission to report back to us by September, and then we will take whatever their final recommendations are as a government body and peruse them and have our own discussions and analysis and then make our decision. I do not know how long that will take us to do because I do not know what the final recommendations are yet going to be. But the three-year period we are talking about between the October school board election in '95 and the subsequent election in '98, some point during that period, decisions will be made and implemented.

**Ms. Mihychuk:** Is the minister going to provide the final recommendations through this last review process to the public?

**Mrs. McIntosh:** The report will come to the minister. We are assuming it will be in written form although it could be in verbal form. After the government has taken a look at it and done its decision making, ultimately the contents of that report will be available for public exploration. Initially it will come to the minister and of course we would take a look at that first.

I cannot give you time lines, I am sorry, because I just do not know how long some of these functions are going to take.

**Ms. Mihychuk:** There is considerable concern in school division presently looking at these types of changes. The complications incurred when you amalgamate or change a boundary are complex and can be costly. Are there intentions by the minister and by the department to provide supports to divisions that are going to be affected by boundary review?

**Mrs. McIntosh:** I am not sure what you mean by supports.

**Ms. Mihychuk:** When you are looking at the amalgamation of two divisions, for example, there are not only the administrative needs to amalgamate the policy decisions that are different between each division that require negotiation and to merge the two divisions—that administratively is going to take a great deal of time and effort—there are also the financial implications which result from trying to merge two divisions with different collective agreements.

**Mrs. McIntosh:** I understand what the member is saying because, in looking at the merging of divisions both in the urban setting and in the rural setting, the complexities of dividing up assets, for example, of looking at programs where you have divisions that have very different philosophies in terms of preschool programs, breakfast programs—some do, some do not—which program will be the ultimate one decided upon, how will the board merge, how will the wards be broken down, how will the whole system of the school trustee participation—in some divisions school trustees are freely in and out of the schools quite regularly, in other divisions trustees only go by invitation—even down to small things like that, you will find little

traditions and very real definite policy decisions; the kinds of programs that are offered, the kind of busing policies the divisions have because, as you know, some divisions will bus elementary children up to Grade 6 for free and others will charge for busing, some charge for busing to French Immersion, it just goes on and on, the various differences in the way in which school divisions conduct themselves.

I was just reading in the paper this morning, the St. Vital board, for example, obviously is one board that does not have any parental involvement with the choosing or transferring of principals. Other divisions have great contact with their parents on things like that. So there are just different ways of doing things, and some of them will have financial overtones. Some divisions are much more cost-effective in the way they run the divisions. They have energy-saving programs in their schools and other divisions do not.

So you might have divisions where the schools, when they get down to a population of 100, for example, automatically come under review for possible consolidation or closure and other divisions even within the city that are content to let the students run down to 60 students before they even look at that type of thing.

So those kinds of policies and the policy manuals of school divisions require an immense amount of time between boards, trustees to trustees, administrators to administrators. None of those have costs attached. There is time to be taken but professionals do not count hours in terms of their time. They are paid on salary. School trustees are paid an honourarium. They do not count hours. They do not say I get so much an hour, at least none that I know take that attitude if they are salaried professionals.

When you come down to decisions that are made and there are assets and liabilities that need to be divided up, then I think it would be one of the things that we have indicated we need to talk more about as government. You will notice that of the 43 recommendations, there were some that we said we need to take another look at these and talk more about them. How do you ensure that no one division which has bitten the bullet and closed schools, for example,

gets stuck with the costs of a division that has not had either the desire or the courage to do that and, hence, is more costly for that division to run itself?

So we will be taking a careful look at divisions of assets and liabilities which is one place where you could identify cost to divisions and cost to ratepayers. At this point, we have not seen any need to put money from the provincial government into the school divisions for any of those purposes, because we believe that ultimately if the amalgamation occurs—and we have not yet decided that and I stress that because we did send out the Boundaries Review committee. We have not yet said we are going to be amalgamating, although, in principle, we think that there is merit in doing some downsizing only if certain criteria are met.

You indicated the possibility of this being an expensive exercise. It could indeed be an expensive exercise if improperly done, and so that is something we have to be very cautious about. We certainly do not want to recreate the Unicity scenario which was a disaster for the taxpayers. They amalgamated all those seven cities and paid no attention whatsoever to the very important items you have identified. They let all costs rise to the highest level and they did not downsize.

If we do a repeat of the disastrous Unicity example, taxpayers will certainly be hit in the pocketbooks very hard, and you will see no downsizing of administration. So if you say put all the 11 divisions in Winnipeg together, hire one superintendent and keep all the other 11 superintendents in place with their salaries all red circled as deputy superintendents, you have really just created another level of government. So we do not intend to just create another level of government.

\* (1520)

**Ms. Mihychuk:** That is reassuring and I hope that we can look for that wisdom when we look at the boundaries report and the final recommendation.

There has been some experience in other jurisdictions when they looked at amalgamation. I am aware of such studies in Ontario, Saskatchewan and B.C. This has been a popular endeavour by many governments across

Canada. Most have backed off, for both, I understand, financial implications of changing boundaries as well as the philosophical one.

This is my question: Where the government seems to be moving to greater local control, greater parental and community involvement, how does that fit with a larger school division with greater bureaucracy?

**Mrs. McIntosh:** In fact there is a tremendously good dovetailing in those two initiatives, because as local schools are given more authority, the individual school itself being given more ability to make its own decisions and the local parents in that area being given the ability to make more decisions, then the body to which it belongs, the larger body, is one upon whom they are less dependent.

So one of the interesting factors way back at the beginning of Manitoba when there were so many divisions—I do not know how many, well over 1,000 individual school authorities in Manitoba in the initial stages—those schools were run with the involvement of the local people. Then divisions were created, and the schools were still run by the local people because there were plenty of school divisions and they were relatively small. The divisions then became larger, as they have now, and the individual schools began to lose that personality that they had.

What we are saying is the divisions have become larger over time. The last amalgamation—I forget the year, it slips my mind right now—was not all that long ago in an historical perspective—in '67, was it? Yes, it was not all that terribly long ago. I mean I remember it well, so it had to be very recent indeed, but when that new amalgamation came, schools once again became more anonymous, more having to fit a standard mold as they complied with divisional requirements and less of an individual unit.

So what we are saying is that even if divisions stay the same size they are, we do feel that schools really should still be able to keep some of their individuality. When the divisions got larger, in a way the baby was kind of thrown out with the bath water a bit. There were a lot of good things about some of the larger divisional boundaries that were created some 30 years

ago, but the schools had to comply to this larger entity and one rule had to fit all, so to speak. So we are saying that is good to do, to have the schools have more ability to be themselves and to reflect the neighbourhood. In fact, it will probably be even more important to do that if the divisions become yet larger again, so they do not conflict, they dovetail well.

**Ms. Mihychuk:** Well, I may disagree in some cases, and I think the example of Unicity is one that rings very clear in our memories. We do have communities now that are choosing to leave the amalgamated model, and it gives me some reassurance when the minister is aware of the implications and does recognize that larger is not necessarily better.

There are some preliminary studies, I understand, by school divisions, St. James-Assiniboia and Fort Garry, that indicate that the amalgamation would be very expensive depending on how contractual settlements are negotiated. Is the government going to provide direction in terms of contractual settlements?

**Mrs. McIntosh:** That is another one, as the member knows, from our announcement on the boundaries, that the Norrie commission had made statements on pensions and benefits and things like that, and that is another that we have said we wanted to take further discussion on, and we will be taking further discussion on it.

The member references a very good example that she has used of municipalities now wanting out of Unicity because of the problems associated with it. Yet you have other areas of the city where they have been able to obtain and keep their unique character in certain parts of the city. I am thinking in St. James, the Deer Lodge place area, for example, over on Corydon, over in that area where they have been able to capture and create their own personality, and St. Boniface, a prime example of a community working hard to retain its own distinct characteristics, just as individual schools are wanting to do. A good large authority will try to make accommodation, it seems to me, for that kind of need.

I have forgotten the rest of your statement. I am sorry. I wanted to respond to it, but it will come back

to me, or if you can remember it, you can repeat it to me.

**Ms. Mihychuk:** Where two divisions are being amalgamated, my question is, some contractual positions may be more favourable to a local—through historic settlements and there may be a playoff, in other areas, they may not have the same provisions as others, but how are those things going to be settled?

Some jurisdictions, I believe Calgary, for example, settled at the highest level. What is the government's plan to help school divisions, or is there going to be some direction from the government?

**Mrs. McIntosh:** There are two ways in which that matter will be dealt with: one will be through our own discussions and decision making once the final report comes in; and the other will be through the implementation team that will be set up to help put in place any decisions that might be made.

I know what I wanted to say. I remember now. You talked about St. James, Fort Garry and Charleswood—[interjection] Pardon me?

**An Honourable Member:** Assiniboine.

**Mrs. McIntosh:** Yes, Assiniboine South. When those discussions are going on and when those divisions have ideas about anything, up to and including costs, those views are currently being input to the Roblin Commission. That was one of the reasons that I felt it was really important we go back out and say to divisions, now you do have a definitive report, what do you think of it? Is there any aspect of this that you think could be a trouble spot? Is there any aspect of this that you think is really good? What do you think? Please give us your feedback to assist us in dealing with this report that has been presented to us.

I think I have said before, we do not believe in change just for the sake of change. If we can see some good coming out of any suggestions for amalgamation and where trustees have identified to us, as some have, that for their particular division they think it would be of benefit, that is very good feedback for us to receive.

\* (1530)

We talk about boundaries, and I have given this a lot of thought and I am sure the member has as well. A boundary is a line drawn on a map. It is a line drawn down the middle of a street or along a river or stream, but it is an artificial thing. We have seen divisions poking holes in boundaries and permeating barriers without any boundary changes. One you would be familiar with would be the South Winnipeg Tech, three divisions coming together to create a technical school. We have seen it in other divisions.

In my division in St. James-Assiniboia where I live, for example, they have a shared-services agreement with independent schools, so you will see them all riding the same bus, for example, because they could both reduce costs that way, those types of things—poking holes in barriers and we are encouraging that regardless of what happens with the Boundaries Review.

We are saying to divisions, get up and start poking holes in those boundaries, start pushing down the barriers, start doing anything you can to bring down costs in a partnership way, joint purchasing, shared services on transportation, whatever you can. Think of what would be of benefit to you, something that you in both or multidivisions would like for your students; can you get together and make it happen at a lesser cost.

Those things are happening, period. Boundaries ultimately, it seems to me, come down to an administrative financial function. If the push towards sharing things continues, if the South Winnipeg Tech examples becomes the attitude that boards take in dealing with each other, instead of always viewing each other as so many do as well—you know, I am over here in this division and my division is better than your division and we do things better than you do things and that type of turf protection, turf mentality as opposed to seeing the good that could be gained by working as partners.

**Ms. Mihychuk:** It is, and I agree with the minister, a case where a lot of time and money can be spent into something fairly artificial. I am hopeful again that the government will also move very cautiously.

One of the concerns that has been raised to me is the time line. Many divisions and many parent groups, people in the Brooklands area, the Winnipeg School Division and other school divisions, any school division in the province is in a particularly tight time frame.

We are now in June, an extremely busy time for the education system as we look at graduation and staffing and preparation for September. We are coming to the close of a year in the school cycle. Basically things shut down for July and August, particularly if you hope to get community feedback in responding to the boundaries report.

Would the minister consider postponing the September deadline? We do sense her interest and her flexibility. Divisions are saying, we appreciate it, but we need a little bit more time.

**Mrs. McIntosh:** I have to indicate that many of the divisions—I do not have the number in my mind, I am pausing to see if I can count them all up—had already written in their response before we even announced that we were going out to them, so the majority of them already have their responses ready and either into us or on their way to us. Parent councils, I have not checked to find out, but some of them are sending them to me. I am just forwarding them on to the Boundaries Commission.

I know school closes for the summer but, in my experience, I am not aware of board or school division administrative functioning stopping for the summer. Maybe we just had a different kind of a division where I come from, I do not know. But people do not all take holidays at the same time, and in most divisions it seems to me that there would be at least one meeting a month for the summer.

The other thing of course is that most divisions and groups, like all of the groups who have been presented, all of those people that we are inviting to respond back to us have already clearly thought through the issue.

Most of them have already presented an initial petition to the hearing, and all we are asking them to do, which is what they are sort of coming back with, is,

you made an initial presentation to the hearings and, in that presentation, you said you wanted all the schools painted red. We have got a recommendation from the Boundaries Commission saying they want to paint them pink. Is that all right with you? They can write back and say, no, we insist it be red, or, yes, pink is fine, or maybe if it is a deep pink we can live with it.

I mean, I am using an analogy that does not make any sense but, just to give you an example of the thought processes that have already gone into it, most of the divisions and advisory councils and groups that were presenting have already thought through what their initial position was and should not have too much trouble taking their original position, putting it in juxtaposition with the recommendations, noticing the differences and deciding if the differences are meaningful and negative to them or of no significance or positive, and, hence, I think that is why we had divisions sending in their comments even in advance of us announcing that we would be seeking feedback.

**Ms. Mihychuk:** Well, my experience is that parent councils, school councils that are in some divisions quite settled and quite developed actually do not meet in June, July or August. For example, the Elmwood community, in that area there is an advisory committee struck of each school in that area. They meet on a monthly basis. That advisory council which is the district area is not intending to meet now till September. That area, for example, clearly came out and said we do not wish to be moved, and yet the Boundaries Commission made that recommendation. They do have a lot to say. That community will be hard-pressed to meet your September deadline.

Can the minister perhaps give us some opportunities for groups like that, that do wish to meet and provide response?

**Mrs. McIntosh:** The member references parent councils and I acknowledge that I was, in my remarks, speaking primarily to school boards and school divisions. I appreciate that there is a difference in that the parent councils may not meet as frequently or as regularly as school trustees do nor do they have the legal obligation to deal with problems that come to them. So I appreciate the difference there.

I think for the school boards and for the school administrators, they have a legal obligation to deal with educational matters, and there is nothing in The Public Schools Act that says, okay, it is summer holidays now; you no longer have any obligation to deal with educational matters of importance to your community because it is summer holidays, and you do not have to be responsible during that period of time.

I would suggest that if any group like that is having difficulty meeting a time limit, they maybe give us a call because while they are not having hearings—like we are not going to go back and sort of do the public hearings and the review all over again—we certainly do not have any desire to prevent people. In fact, the whole goal is to try to get their input in as timely a fashion as possible. So perhaps if anybody is having that kind of difficulty, they want to give us a call and let us know whatever their time line problem is, and we will see what we can do to get their input. It may even be possible to have a get-together if that is convenient.

The commission, as I say, is not having the hearings again but I am receptive to meetings. I have indicated to the member for Wellington (Ms. Barrett) that if she wished to bring some of the Brooklands' parents in to meet with me, I would be most pleased to do that and sit down and take a look at their problems.

\* (1540)

**Ms. Mihychuk:** That is helpful.

Some divisions, as you are aware, are going through a co-operative amalgamation—divisions like Lakeside and Evergreen. Winnipeg School Division, for example, has taken the initiative and provided a purchasing option and because of its size can secure a lower cost on goods and has made that available for other divisions. There is the Child Guidance Clinic which provides services to many urban divisions. So there are a number of what we would say open boundaries or flexibility, co-operation amongst divisions.

Would the government consider facilitating this type of co-operative sharing and look at that as an option? It is my understanding, for example, that the

Saskatchewan government basically took the recommendations of boundaries, encouraged divisions to participate, provided a small incentive and that there was a voluntary amalgamation in Saskatchewan.

Would this government be open to that type of model?

**Mrs. McIntosh:** As I indicated earlier, we very much are already supporting that kind of initiative, saying punch holes in those barriers, permeate them, start co-operating, do things like joint purchasing, share what you can and start being partners with each other, stop the turf protection, it is counterproductive. We are already on that in terms of encouraging divisions and hoping they will continue with that.

The Norrie commission, when it comes back, may well hear that kind of thing said from divisions and trustees.

I guess what I am saying is that at the moment everything is on the table. What comes in from the commission will be taken into consideration with everything else we have heard. When we sit down to make our decisions, it will be at that point that we will respond to many ideas such as the one that you have presented.

In the meantime, any and all ideas are most welcome. I will consider everything but at the moment commit to nothing because we do not want to pre-empt our own report.

**Ms. Mihychuk:** One of the assumptions that the Boundaries Review made was that the amalgamation of divisions would result in fewer administrators. Is there any evidence that we would see fewer superintendents, for example, in the city of Winnipeg with boundary change?

**Mrs. McIntosh:** I am not aware of any empirical evidence. The Unicity example would almost provide a contrary-type evidential experience. So those types of questions which are exactly the right questions to ask are ones that we need to take a careful look at, because clearly if you end up with the same number of administrators in your central board office at the same

salaries, with a brand new CEO on top of them all, you have indeed created an expensive exercise as opposed to a less expensive exercise.

While we know that you can reduce administrative costs if an amalgamation is done well and properly, it may take a political will to have that accomplished, political will either at the trustee level or at the administrative level or at the provincial level. It is something that needs to be looked at carefully when you are deciding what you are going to do. It is a very good question you have asked.

**Ms. Mihychuk:** Just one final question on the issue of boundaries, can the minister assure educators in our school system that we can be focused on education reform, which is absolutely essential. I think that the majority of partners in the education system want to change and focus on the important issues of making it a better learning environment for our children, and not focus on drawing lines on a map, sitting around a negotiating table arguing about where the boundary is. The fear that many have is that exactly what we are going to end up doing for the next three years is focus on a boundaries commission and argue about lines rather than dealing with the important issues of education.

**Mrs. McIntosh:** I think it is critically important that everybody keep their priorities straight as we go through some of these exercises that are on the horizon right now in education.

In my first two weeks as minister, I have met with some 20-odd organizations connected with education, still meeting with them as time permits. This week I met with MAST and had my second get-together with the St. Boniface College people.

With each of those groups I made the statement and received positive nods of agreement, which I believed were sincere and hope I am not wrong in that belief, to the statement that schools are for students. Educational institutions are for students. They are not for teachers, they are not for professors, they are not for school trustees, they are not for Ministers of Education or governments or provinces, they are for students. If that is kept as our first priority and never forgotten, then we

probably will not get too mixed up when we decide we are going to spend our time sitting around arguing about lines on maps or trying to find improved and enhanced and enriched ways of determining how well Mary is absorbing the knowledge that is being presented to her. When we get our priorities mixed up, we can get off track.

That is not to say that dealing with the boundaries issue is going to degenerate into the worst-case scenario or the nightmarish image that you have unfolded there which, I think, is within the realm of possibilities, I hope not within the realm of probabilities. It is possible for intelligent people of good will who have done their homework to sit down and make a decision on boundaries that will not take ages and ages and ages to go through and result in horrendous arguing. It is possible to do that while you focus in on delivering a better quality of education, better than it currently is.

I wish to stress, every time I say that, that I am not saying that there are not good things happening in classrooms. I challenge anybody to take away from me my devotion to some of the people who are doing things in the schools in this province. I have been on record consistently for that for about 17 years. I am just making reference now to the member for Wolseley's (Ms. Friesen) opening comments when she indicated we should be saying good things about schools instead of harping on the negative all the time.

It is a misperception to think when we say that things could be improved that we are implying that everything is bad. Things have, in comparative purposes, placed Manitoba further down on the scale than we should be, not to say everything is bad, but things can be improved.

I think, as we look at boundaries, my intention of looking at boundaries is how can we ensure that as we look at boundaries, we offer something that can further enrich and enhance some of the renewal and the reform that is going to take place in the actual learning experiences in the schools. If we effect this particular boundary change, will it result in better delivery of education for this child? Will it result in reduced costs

for the guardians of these children in terms of taxes? Will it result in increased co-operation that will provide better materials, better use of staff and facilities for this child? If it will do that, the boundary change is probably good, and if it will not do that, then it is probably not a good recommendation and we should not move the line right there.

We are like the member from the Maples who has got an open mind on this issue right now. We feel it is a topic that needs to be explored, there may need to be some changes, but we do not accept change for the sake of change. Change has to be done for good reason.

\* (1550)

**Mr. Kowalski:** The word "amalgamation" is used repeatedly and I am wondering, is that the way this should be thought of or should we be thinking of this as dissolving the old school divisions and creating new school divisions with new policies, new contracts, a new board, as opposed to an amalgamation? My concern is if we view it as an amalgamation any place where we have a larger board going together with a smaller board that the larger board's policies or contracts, their administrators, will have more of an influence. Should we be thinking more of this as creating new school divisions?

**Mrs. McIntosh:** I think the member addresses a sensitivity that needs to be very carefully addressed when you talk about school division boundary changes because along with all of the things that I just mentioned to the member for St. James (Ms. Mihychuk) about will this improve the delivery of service, will this—better facilities, blah, blah, blah—all of those things that I said will be coloured by the emotion. We have had a couple of things happen in the area where I live. We have been through three amalgamations actually there of school divisions, and to this day, when you say St. James-Assiniboia, you better say St. James-Assiniboia and not leave off the Assiniboia portion. Because that was an amalgamation, where both divisions voluntarily came together. Each retained their original name, and each retained certain characteristics that were important to them. But they came together and created a new entity, got a new name—St. James-Assiniboia. But still there

was the emotional tie to the original entity, and that is human nature.

We have closed some 14 schools in our division, we closed 14 schools during my tenure as trustee. We called them consolidations because when you actually ended up closing school A and sending the children to school B, you consolidated the two student bodies into one. In those cases, they retained, they kept the name of the new school. The old school was closed and the new school did absorb—the words you used—the other school population, still bringing with them, though, certain characteristics and things. There was always emotion in those exercises. I mean, ultimately people felt they were good ideas, obviously, because all the trustees who voted for amalgamation or consolidation were always returned to office, and those who voted against them were never returned to office. So the public accepted the concept, but they still had the emotional tie and the sorrow at losing the thing that they were familiar with.

So the terminology we are going to use, the philosophy we are going to use in terms of absorbing or creating new or closing down old, I do not know at this point. But what I do know is there will be a very strong need to be sensitive to that issue that you have raised, because it will have meaning to people.

**Mr. Kowalski:** Yes, I think it relates to something else I was going to talk about when we talked about boundaries being lines drawn on the map, and sometimes boundaries recognize identifiable communities' neighbourhoods. When people refer to the north end, some people have different ideas. What does the north end mean? I do not think within the city jurisdiction they have moved around what they call District 3, and Works and Ops is a different area of District 3 and that, but the community knows what the north end is—you could ask anyone from there, and they say, yes, I am from the north end.

Now, with this amalgamation or whatever of the different school divisions, in some school divisions they reflect the community's standards, the community's priorities, and if we amalgamate a smaller division that has strong sense of neighbourhood, strong sense of community, where that community has said

their priority is for early years education as opposed to a baccalaureate program, and they amalgamate with a larger division, my concern is that if you view it as amalgamation because the majority of administrators, majority of people involved in the system will be from that larger division, that the community's values from the smaller division will be lost. And that is why I asked that question. I see it as a message that in the smaller divisions now, you are being taken over by the large divisions. The values, the priorities of that division, will be maintained and will be lost in the smaller divisions.

**Mrs. McIntosh:** You have a good sensitivity to the emotional aspect of this, and it is not one that can be ignored, and as we move through this exercise, it is not one that will be ignored.

I do not have answers at this time, but I am aware that so far in the Estimates today, the points raised by you and by the member for St. James (Ms. Mihychuk) have been credible points that are constructive in their criticism, and I appreciate them because they are ones we need to keep in mind.

**Mr. Kowalski:** I do not know if this is the right area to discuss this, but because of the boundary review—I will be very parochial. In my constituency which is governed by the Seven Oaks School Division, there has been a problem for a number of years in that it does not comply with The Public Schools Act in that the electoral quotient for The Maples area, that ward, I think is 25 percent.

Now, because of the Boundary Review Commission, the Board of Revision, it was felt, would not entertain any change, but now that we know there will be one more election, that means three more years where the people in The Maples—and I am doing it from memory. I believe it is 17,000 eligible voters who are represented by three school trustees, whereas in another ward made up of Garden City, West Kildonan and that area, with 15,000, is represented by five school trustees.

My understanding of The Public Schools Act is if 25 people from the area present a petition to the Minister of Education, that the Board of Revision will look at it.

Now, that does not leave much time before the next school trustee election, but a number of people who were considering this action, even the school board who looked at it, held off because of the Boundary Review Commission with anticipation that the boundary may change.

What can be done to correct the inequity of representation in The Maples?

\* (1600)

**Mrs. McIntosh:** Did you say that the board has made representation to the minister?

**Mr. Kowalski:** No, the board struck a committee, looked at it and decided not to take any action. Rightfully or wrongfully, it was felt that the Board of Revision would not entertain any changes because of the pending Norrie report.

So now it has come out late for the Board of Revision. I think the time lines for the Board of Revision to look at something like that is much longer than what the period of time is between now and the next school board elections.

But there is a serious inequity that can have a dramatic effect not only in the next few years, but there will be a certain amount of jockeying and positioning for different programs, different resources in The Maples versus other areas.

I am admittedly very parochial here, but there is a serious inequity, where the people of The Maples have far less representation on their school board than people from other areas in the same school division.

**Mrs. McIntosh:** Just a quick question again for clarification. This is a problem between boards where one ward has a disproportionate number of people than another ward in the same division, right?

**Mr. Kowalski:** In the wards. There are three wards in the Seven Oaks School Division.

In one ward, there are five trustees from that division. In the other ward, there are three, and in the other ward,

there is one, and if you look at the electoral quotient, it is in contravention of The Public Schools Act and has been for some time now, because, again, I repeat, of the Norrie commission. It was waiting to hear a response from that, and it came too late to do anything for this school board election, which will mean that the inequity will continue for at least another three years.

**Mrs. McIntosh:** Yes, I would invite you to ask your board to contact me, and I do not know what can be done but I do know that we had indicated we did not want the Board of Reference making decisions that would pre-empt decisions made by the Boundaries Review, and this situation may not be in that category. Perhaps you could just invite them to call me or see me.

**Mr. Kowalski:** With the board's make-up the majority of trustees are from the ward where they have large representation, so I do not know if the board will be that interested in, as a board, doing it. There are individuals in the community of The Maples that are very concerned about their representation and those would be the people that would be interested in something being done before the next school board election.

**Mrs. McIntosh:** I will take this matter under advisement, and we can maybe talk later because you have identified a dilemma there, and I understand exactly what you are saying.

**Mr. Assistant Deputy Chairperson:** Is it the will of the committee that we take a break for recess for about 10 minutes. Agreed. We will resume back here at 4:15.

*The committee recessed at 4:03 p.m.*

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#### After Recess

*The committee resumed at 4:18 p.m.*

**Mr. Assistant Deputy Chairperson:** Would the committee please resume, the time being now 4:18.

**Ms. Jean Friesen (Wolseley):** Mr. Chairman, I have got, I think, one last question on 61(c), and that is

looking at the policy and planning aspects of the location of MERLIN. As I look on the organization chart, I see it reports directly to the minister, and I am wondering how that works with all the other things that need to be co-ordinated from education with MERLIN: the purchase of software, the links with libraries, the links to the Internet and all those kinds of things. So it is the organizational chart that I am interested in.

**Mrs. McIntosh:** I am not sure if this exactly addresses the member's question, but the staff in the department provide support and information and services to MERLIN. MERLIN, itself, I believe, has its own line coming up, but in terms of its relationship with the other groups of the department they serve, educational services and so on are provided from the department to MERLIN.

\* (1620)

The mandate of MERLIN is to provide education and educational technology services for education and training in Manitoba, and MERLIN will provide direction and management in the educational use of telecommunications networks.

It will act as an honest broker, so to speak, of services to meet customer needs, and it will provide service offerings that support educational institutions, kindergarten to Senior 4 and post-secondary, in the application of technological tools that will enhance and expand program delivery, and will identify, in partnership with the private sector and with economic development agencies, economical development opportunities arising from the application of technology to education and training. It is not an accrediting body; it does not develop curricula.

I do not know if I am answering what you are looking for or not. It supports departmental policy. MERLIN will work with both deputy ministers because it is not tied to one level of education, but rather crosses all of the educational groupings. It will work with schools, with school divisions, with the department and it will provide with universities, colleges, and it will provide related technological services at a cost, fee-for-service basis. It is a cost recovery; the divisions would pay for some of the services it gets. It can negotiate on

behalf of divisions, network services, rates, system management, those types of things.

Staff has indicated to me that in the roles of MERLIN, it can co-ordinate the provision of Internet for education, including the developing and implementing Train the Trainer workshops, where you train people to go out and in turn train others, for users to establish a World Wide Web site for education, developing computer application to limit connect time and auditing new accounts for errors and those types of services.

**Ms. Friesen:** I know we have another opportunity to look at MERLIN as a special operating agency separately, and its role and function. I know that this is a transition year so that many of the responsibilities that the minister has just outlined, I believe, are still contained in the responsibilities of areas of line departments. What I would like to do as we go along is look at areas where those are going to be taken away from departments and moved to special operating agencies. I will just be trying to pay attention to the special operating agency, I have been trying to pay attention to that as we go along.

What I was concerned about here was how departmental policies will be communicated to MERLIN? For example, the minister said that no curricula will be developed here. The purchase of curriculum materials, the collective purchasing, the large-scale contracts, and possibly even the commercial developments of curricula, all will take place here. What is the connection between the kinds of needs that the new curricula will have that the new curriculum committees that are developing curricula—how will that connect into MERLIN? Does the minister, for example, have representatives on MERLIN? What proportion of the MERLIN representatives represent ministerial policy?

**Mrs. McIntosh:** MERLIN deals more with technical issues, as opposed to instruction-type issues, but the provincial councils will give an overview and there is going to be a very strong working relationship between development and MERLIN and the provincial councils will be a strong influence. That is one way of providing direction.

**Ms. Friesen:** Just for the record, the minister should indicate the provincial councils for Distance Education and Technology.

**Mrs. McIntosh:** Yes.

**Ms. Friesen:** Could the minister add what the representation of the department is on those provincial councils and on MERLIN, and is there any difference between the two?

**Mrs. McIntosh:** The make-up will include, as I said earlier, both deputies are involved, but you have John Carlyle, deputy for K to Senior 4 and Paul Goyan, deputy for post-secondary. You have the MERLIN CEO, you have Henri Raymond who is the member for kindergarten to Senior 4 from the department. There is also a subcommittee at the post-secondary level, and that is chaired by a school superintendent, Bill Schaeffer.

Then you have local consortia at other levels that are, again, representative of local issues and concerns and those involved directly in education.

**Ms. Friesen:** So MERLIN then consists of three people from the department who are looking at the management board of MERLIN? What is the phrase that is used?

There are three people from the department, Mr. Raymond and both deputies, and then there is a CEO separately and a separate person for post-secondary. Is that the gist of it?

\* (1630)

**Mrs. McIntosh:** I was referring to the provincial councils when I was giving that particular make-up. I thought that was what you were asking, but MERLIN itself, yes, has its CEO.

**Ms. Friesen:** Again, I wanted to ask about—it is again the link between the department and MERLIN. The example I was using was that multimedia or any kind of curriculum purchase that would be recommended by the new curriculum committees, this would then be communicated, those types of suggestions and ideas

and selections and policies of the department, would be communicated to MERLIN through the provincial council and through the minister's representatives on that council.

**Mrs. McIntosh:** There are the two lines of communication to the CEO; one, through the provincial advisory committee which links back to the minister, so, you know, they have that linkage, and directly to the minister, of course. There is a communication flow between the minister and the CEO. So we have those two vehicles of communication.

Of course, you have the agencies working out ways to communicate and have input into MERLIN, going up to MERLIN. So if you look at a diagram, the minister is at the top, provincial council off to the side and MERLIN in a direct line under the minister, then underneath that, agencies flowing up and services and so on, marketing administration, flowing back to various groups.

Just, you know, to give you one example, the department can approve a curriculum, have a curriculum available, and MERLIN can be used then to do bulk purchases for various divisions and other entities wanting to access that. So it is going to be a central co-ordinating body for technical resources.

**Mr. Assistant Deputy Chairperson:** Item 1.(c) Planning and Policy Co-ordination (1) Salaries and Employee benefits \$428,700—pass; (2) Other Expenditures \$208,200—pass.

Item 1.(d) (1) Human Resource Services: (1) Salaries and Employee Benefits \$354,000.

**Ms. Friesen:** Mr. Chairman, I wanted to ask some questions about affirmative action and career development initiatives.

Could the minister give us an update on the affirmative action policies and results in this section of the department?

**Mrs. McIntosh:** All staffing authorization requests must include an affirmative action strategy, and affirmative action as a selection criteria is weighted in

all competitions with the same value as all essential criteria. Wherever it is possible efforts are made to place affirmative action candidates in vacant positions.

Are you looking for numbers or—

**Ms. Friesen:** I thank the minister for the general statement. What I would be looking for, as well, is what the experience has been over the past year. Have there been hirings, promotions, and how has the affirmative action policy been effective in that area? I notice that there have been a number of advertisements over the last six or eight months for both short-term and longer-term personnel in the department. I wondered if the department has been able to hire any candidates in that category.

**Mrs. McIntosh:** I will give you the statistics we have got here with the indication that increasingly we are seeing people who would qualify to be affirmative action candidates who choose not to declare that as a status because they do not want it considered in their applications. So, understanding that, we do have a number of people who would qualify for affirmative action status who choose their right not to be identified in that way, so they will not be included in the statistics even though they are present in the department because that, at their request, was not a factor.

Of those who were willing to declare that they were affirmative action candidates and were willing to allow that to be considered in their applications, we have 446 females, and that is 67.78 percent of the department staff. We have 19 people who declared themselves to be native and that is just under 3 percent of the department staff. We have 20 people who declared themselves as disabled for affirmative action purposes. That is slightly over 3 percent of the staff. We have 12 people who registered as visible minorities working in the department. That is about 1.82 percent of the staff. Of course, we will not include the others who fall into those categories who asked not to have that taken into consideration as a factor in their employment.

**Ms. Friesen:** My further question was in the hirings that the department has been able to make in the last year. What proportion have been able to be dealt with under an affirmative action criteria?

\* (1640)

**Mrs. McIntosh:** Staff advises me to get it within a specific time line. They will come back with those figures. They do not have them broken down into, you know, how many in the last period of time. They give you the current status. We will get you that.

**Ms. Friesen:** Could I clarify it as the last fiscal year?

**Mrs. McIntosh:** Just while staff is getting that, I would just like to indicate to you that, specifically in line with some of the questions that were in Question Period the last couple of days, in terms of advertising for the Northern Adult Literacy Coordinator and regional consultants in the Winnipeg, Dauphin, Thompson area, we have indicated that preference be given specifically to aboriginal candidates, just for information on that.

We can bring you the last fiscal year tomorrow, if you wish. We do not have it here today.

**Ms. Friesen:** I do not know if it would be helpful to the department. I suggested the last fiscal year simply because that is the way numbers are kept, but my guess is that the number of hirings was not as great in the last fiscal year as, perhaps, it was in a more concentrated period of months, say, since August, which would not come into the last fiscal year.

So if the department has two sets of numbers, that would be useful. Otherwise, we can deal with it next year on the basis of fiscal years.

**Mrs. McIntosh:** We did fill 41 regular positions last fiscal year. How they broke down into terms of categories or quotas, I do not know. We have 41 positions filled, but we can bring you back the information as to the types of individuals who filled those positions.

**Ms. Friesen:** My other question dealt with promotion, and, I guess, it would connect to the career development initiatives for people in affirmative action designations in 16.1(d). Could the minister give us a description or an account of how many people have been promoted in those categories? What kind of

career development initiatives are currently in place in the department?

**Mrs. McIntosh:** I just want to indicate that we could have the affirmative action hirings staff advised, say, by about 5:30 today, if the member would like, in terms of promotions and training for job advancement.

In terms of the representation of women in senior management and middle-management positions, we have one female assistant deputy minister. The chair of the Public Schools Finance Board is a female.

We have eight female directors of the following directorates: Native Education, Special Projects, Official Languages Program, Administrative Services, Library and Materials Production Branch, Program Development branch, school programs division, Literacy and Continuing Education, Program Implementation Branch, school programs division, employment development programs.

We have 15 female managers. They are, in the following areas managers, either co-ordinators or assistant directors: private vocational schools, labour program, evaluation and development unit, labour market analysis unit, Single Parent Job Access Program, New Careers in Thompson, Gateway Program, Intergovernmental Affairs, Winnipeg regional teams, school programs division, blind and visually impaired services unit, school programs division, Curriculum and Exams, Apprenticeship, project manager MIS, co-ordinator humanities unit, School Programs Division, program analysis and development, Schools' Finance Branch, assistant director of Planning and Policy Development, project manager Curriculum frameworks in school division programs.

These are the females who have identified themselves as qualifying for affirmative action and wish to have that designation included as one of the criteria for employment.

**Ms. Friesen:** Mr. Chairman, and the other categories of native, disabled and visible minority, have there been any promotions in the past year of people in those categories, first of all?

Secondly, what career development initiatives are there for people in those categories to enable them to receive training and promotion?

**Mrs. McIntosh:** Just before we leave the female component, we have had five females promoted into senior management positions in the past year. In terms of the other categories of people, that will also come back to the member. It is here; it just has to be pulled out and counted. So if we want to carry on, then as soon as that information comes, I will give that to you. It just has to be taken out of the file here.

**Ms. Friesen:** I would be happy to receive that at a later time, and just to be clear, it is the native, visible minority and disabled peoples who have been promoted in the past year, and secondly, what the career initiatives are, career training, that are available for people in the department for that. I am prepared to pass this line now, if you wanted to do that later.

**Mrs. McIntosh:** I will bring that information back to you at another time.

**Mr. Assistant Deputy Chairperson:** Item 1.(d) Human Resource Services (1) Salaries and Employee Benefits \$354,000—pass; (2) Other Expenditures \$57,600—pass.

Item 1.(e) Financial and Administrative Services (1) Salaries and Employee Benefits \$905,500.

\* (1650)

**Ms. Friesen:** Mr. Chair, I had a couple of questions here. One dealt with the underspending in '93, I think it is by eight something?

I wondered if the minister could give us a sense, a greater longitudinal sense. Is this the first time there has been underspending by the Department of Education?

**Mrs. McIntosh:** I am making an assumption here that you are talking about the major cost reduction we were able to achieve in 1993 across government. Is that the area you are referring to?

**Ms. Friesen:** I am looking at page 90 of the annual report for '93-94, and I am looking at the decrease in spending from the estimate—[interjection] Page 90, and what I am looking for is a longer longitudinal perspective on that. Is that the first time that there has been that underspending, compared to the estimated amount and the amount voted on, or is that a common amount?

**Mrs. McIntosh:** Staff advises they believe that may have been the first time because prior to that in previous years, we had had high inflation and all of those things, and there was not the same concentrated effort in trying to contain costs. There were many efficiencies built in right across government in trying to reduce costs at that time.

They believe that was the first year that they managed to come in under budget, instead of having to spend money just because it was there. You know how the old mentality used to be back in the good old days when you set a budget and then you worked like crazy to try to spend every cent of it, instead of setting a budget and trying very hard to come in at it or under it if possible, which is the much more responsible way to proceed than the old way. It used to be in educational finance when people did not pay attention to the cost to the taxpayer the way they have to now.

**Ms. Friesen:** I think some of those savings may well have been administrative savings, but I think some of them were also at the expense of programs, particularly some reductions in ACCESS programs and others.

I would agree with the minister that money should not be spent simply for the sake of spending money. I think there were certain program implications for those changes. What I wanted to ask was, presumably I can go back to each annual report to look at the relationship between estimated and actual amounts

I just wanted to check while the staff was here whether in previous annual reports, to the best of their knowledge, numbers are reported in the same format and would they be comparable.

**Mrs. McIntosh:** When the interest rates went down, and a lot of our formulae and so on are tied to those

kinds of things, we experienced a net decrease in that '93 period. That may be what you are looking at in terms of the cost to government not being as high as it was when inflation and interest rates and so on were higher.

**Ms. Friesen:** I wanted to ask about departmental auditing, particularly the auditing of the Workforce 2000 program.

Could the minister explain the internal auditing pattern? I assume there is a cycle, is there, of the auditing of particular divisions and departments within the branch? Could the minister give us an update on where that is and at what point Workforce 2000 is included or has been concluded?

**Mrs. McIntosh:** The auditing has been centralized through the Department of Finance, so it is no longer done in the Department of Education. The Department of Finance now provides that function.

**Ms. Friesen:** I wanted to ask about the Lotteries money. I noticed that last year for the first time, I believe, Lotteries money was included in the Department of Education. This year there is a substantial increase in that amount of Lotteries and the focus for which it is used, or the different focuses for which it will be used. Could the minister give us a sense of how—are there any different procedures for administering that? How will that be dealt with in the departmental financial system?

**Mrs. McIntosh:** All the internal processes will be identical to what they are now.

**Ms. Friesen:** How will the special operating agency be dealt with in financial terms, insofar as the department reporting lines and those kinds of things are concerned?

**Mrs. McIntosh:** That will be reported through Finance to MERLIN.

**Ms. Friesen:** So the minister means that that goes directly to MERLIN from the Department of Finance. It does not come at all through the Department of Education?

**Mrs. McIntosh:** We make our own contribution, but then they control their own dollars. Finance does the audit on that.

\* (1700)

**Ms. Friesen:** I assume—I am looking at page 145 of the Supplementary Estimates—where these Lottery programs are listed, this is for 1995-96. There will be a vote, then, a separate vote, 16.8 a resolution on this Lotteries money in the Department of Education, and yet it does not—I am just trying to get the organization straight, it does not pass through the minister.

**Mrs. McIntosh:** \$744,000 of Lotteries money is Education's contribution to MERLIN. MERLIN can then acquire other funds by fee for service, cost recovery, that type of thing.

**Ms. Friesen:** And that \$744,000 then comes to Education from Lotteries and goes from Education to MERLIN? [interjection] Okay, I understand.

**Mr. Tim Sale (Crescentwood):** I just briefly want to go back to an answer the minister gave a few moments ago, and I would like to explore it a little bit. She indicated that, under Expenditures in '93-94, may have been related to interest rate changes.

I wonder if the minister could point out the line in the annual reports or the lines where that might have been the fact causing that difference.

**Mrs. McIntosh:** I do not think that you will see that particular item on a line. What you will see is cost coming down. I do not believe it is identified the reason we are able to have a cost not be as—is why it did not cost as much this year as last year was of a change in the rate of inflation or interest. I do not think you will see that in the report.

**Mr. Sale:** That is why I asked the question because I do not think the answer is accurate. I do not believe there are places where interest rates have that kind of impact in public schools finance. I think that the answer to the question is contained quite adequately in the explanations from pages 91, 92 and 93, which note

that in the main the reductions were due to cuts in programs, pure and simple.

Cuts in PDSS areas, Child Development Support Services and a whole range of lines. If the minister wants to look at the notes, I think they are quite clear. They have nothing to do with interest rates whatsoever at all and have everything to do with deliberate either reductions in programs or reductions in staff.

**Mrs. McIntosh:** One example that the member may wish to disagree with if he chooses, when you are paying out money and it is tied to a formula that is based upon—has as one of the components in it, cost of living, rate of inflation, interest rates, whatever, you will pay out less if those rates go down. You may choose to disagree with that. I think fundamentally most people would accept that if you have a formula that has in it a component, a factor such as that and that component goes down, in all likelihood the money that you pay out would be lessened. I may be wrong on that or the member may continue to disagree with that, but I think there are some mathematicians who might think that there is some merit in that particular point of view.

Also, the member talks about cuts in programs and should also recognize that every time there is a reduction in expenditure it does not necessarily equate to a cut in program. It is the kind of fallacy that a lot of people have when they say the only thing you need to do to fix education is to pump more money into it, without recognizing that it is quite possible to deliver a higher service at lower cost. One example, one prime example, it is a health example not an education example but the theory holds true. The member having been, I think, a health consultant at one time, were you, or was it environmental or maybe it was both—health consultant—will recognize the benefits of home-managed care, for example.

Elizabeth Semkiw, my good friend Elizabeth Semkiw, who may be known to the member—I will just wait till he is finished talking and then I will continue.

I am not finished. I was just waiting until you finished your conversation so you would be free to hear the answer to the question you asked.

Elizabeth Semkiw, who is a quadriplegic confined to a chair, used to under the old way of doing things be looked after. She was looked after by government, dependent on the good will of government for her care. That cost the taxpayers of this province \$52,000 every year. For that, Elizabeth had a Home Care worker come at the hour appointed for the Home Care worker's convenience to give Elizabeth her bath at an hour which may not have been the hour that Elizabeth wished her bath. So she was on a rigid schedule that was suited to fit the bureaucracy and that was tailored to fit the needs that were available on a list for people in her situation.

A pilot project a year or two ago was just to say to Elizabeth, your needs cost the taxpayers \$52,000 last year, here is \$52,000. Take it and manage your own care, which she did with great delight, because she was able to hire the person she wanted to bathe her when she wanted on her schedule, at the time of day she would like to be bathed. She was able to tailor her program to meet her specific desires and needs, and at the end of the year gave us an A-plus-plus-plus-plus on the program and returned over \$2,000 to us.

Higher quality, better care, at less cost: quite possible, quite probable, if people are willing to get out of old-think, which says if you have underspent it is bad because it must mean that you somehow diluted service. If you have overspent it must be good because it means obviously you have improved the quality of service. Those are not assumptions that necessarily are rooted in reality, and, in fact, in some cases, they are erroneous assumptions held in the minds of people who cannot get out of the past.

Unfortunately, the people we service tomorrow will not be living in the past, they will be living in tomorrow, in an era when there is not the same kind of money that there used to be, when creative thinking needs to be brought to bear to improve service and reduce cost.

\* (1710)

I, just by the tone of the questions, capture the flavour of your imagination, sir, because by the tone of your questions, you and your colleague who is the

official critic for your party say, you have underspent, what have you done that is bad, instead of saying, you have managed to come in under budget, what creative thing did you do to help achieve that for the people of Manitoba, who have to have the finances brought under control if we are going to salvage anything of importance for the people of this province and our children and grandchildren who are going to live in a world where a debt, planned as carefully as we plan it, is going to take 30 years to get the people out of.

So I just say, I do not know, I was not Minister of Education. I am not saying that is a reason why I should not know, but I do not know exactly why some of these lines were underspent. Maybe it was some great, evil, terrible thing. I do not know. Maybe it was due to some very logical thing such as interest rates and inflation which I still kind of think do have a little bit of a factor to play in keeping budgets under control or maybe it was because of Elizabeth Semkiw situations. Again I do not know, but we can get you some of those answers.

You can choose to disagree with me, absolutely, and I recognize you do, but there is a philosophy inherent in your question that quite frankly scares the living daylights out of me in terms of following through on that kind of thinking. I have children in their late 20s. They are going to live in this future a lot longer than I am, and I am not going to see them live in it burdened with a debt that leaves them nothing at all. We are paying so much now on our debt, and that debt is growing and I think you have some sense of finances and some sense of economy and realize that interest compounds, debt grows, more and more money having to go towards debt leaves less and less money for education.

We have got choices. We could spend more and more without paying attention to the debt and let the debt grow, which will give us less and less to spend, until we will not have any choices sitting around the table about whether we can underspend or overspend. The choice will be made for us. The choice can be made for us by people outside, by people who live across great bodies of water who decide—pardon me?

**An Honourable Member:** And wear red suspenders.

**Mrs. McIntosh:** I do not know what colour their suspenders are, but I am telling you that people who grant us our credit ratings, people in the international money markets who look at Canada as a place to invest or not invest, can decide for us whether we are going to have any money left for education.

You probably do not like to hear the words New Zealand, but let me assure you that they had the same cocksure absolute optimistic attitude that no harm would befall them.

So long as they kept spending money, credit would be theirs and no one would ever cut off their credit because they had the third-highest standard of living in the world, and they did one day. The next day, they had the twenty-second lowest standard in the world because their credit got cut off.

**An Honourable Member:** What country are you talking about?

**Mrs. McIntosh:** New Zealand.

**An Honourable Member:** Table the information.

**Mrs. McIntosh:** Oh, I will be glad to table the information. You do not know about the New Zealand situation?

**Mr. Assistant Deputy Chairperson:** Order, please. I would remind the committee that remarks at committee are to be relevant to the item you are on.

I am bringing to the attention, for the benefit of the committee, that we are on line 1.(e) Financial and Administrative Services, and I would expect that all members would remain relevant and stay for benefit of all members of the committee. The minister can conclude her remarks, please.

**Mrs. McIntosh:** I will conclude; I will bring in information about New Zealand to indicate how they had to close 700 post offices in one morning, and do all of those things, because their credit rating did not stay the way they thought it would and the consequences of that because I think it would be of some use for the member.

**Mr. Sale:** Well, that was one of the most interesting rambles, Mr. Chairperson, that I have heard in response to what was actually a very simple and technical question. I would simply say to the minister that I was part of the group that lobbied for self-managed home care. I did research on it, and Elizabeth Semkiw is also a friend of mine. I have known her for many years and I know she does wonderful work on behalf of the people for whom she is employed.

I completely agree with the minister's comments. I just take a somewhat exception to the notion that this is somehow supposed to be new information. The minister might want to be the Minister of Health and that would be good.

I will simply say, for the record, that the reasons for the over- and underexpenditure are given in detail in the pages that I referenced. There are some three pages, 38 explanations, and the 38 explanations on a quick scan do not ever mention interest rates or inflation. I simply wanted to say, for the record, this is not one of the reasons that is given by the department that tabled the report, that the reasons are here and in the main they stem from over- and underexpenditures on programs.

I would also say to the minister that, having been an assistant deputy minister in this department, I worked very hard for efficiency, as I think all civil servants do. I do not think efficiency is an idea that this government suddenly discovered and no other government knew about, so I take the minister's comments that we want to have efficient and effective and innovative changes, but we are always interested in seeing what some of these might be. I simply heard an explanation that did not hold water, and so I wanted to find out where the explanation was given in the notes and to get some sense of why this was seen to be a reasonable explanation.

I take the comments from the minister, but I found the long exploration of self-managed home care not particularly relevant to the discussion.

**Mrs. McIntosh:** Yes, I believe we were asked in what environment the funding that was referred to in the question came about, and I believe we have responded

with the type of environment that existed at the time. I believe that is entirely appropriate.

I also feel that we can sit here, if you would like, and I gather from the amount of time we are spending on 1993, that we probably would like to sit here and go through a report that has already been gone through in detail, I would imagine, by—I mean, I presumed that through 1993, Estimates of Expenditure were gone through by the then Minister of Education and that these matters were delved into. We can go through them all again. Heck, we can go right back to 1988 and go through all the way money was spent in 1988 and rip it apart if we want to. If you would like to do that, we will go get the 1988, the '89, the '90, the '91, the '92, the '93, the '94, and maybe we will get to the current year, which is what we are here to do.

I also say, Mr. Chairman, that I think using examples from other departments as to high quality and low costs are entirely and absolutely appropriate. When a generic thought is put out, it is quite appropriate to respond with another generic thought, unless we want to go with the principle one rule for you and one rule for me, which I do not really adhere to because when people are courteous and polite, as the previous two questioners were, they will get courteous and polite back, but when innuendo and when there is something in the question that has a tonal quality, such as I get sometimes from one or two people, they will get it back.

It is not inappropriate to respond to a generic statement with a generic example. It is not inappropriate to refer to external influences that might have effected a cost reduction or an expenditure reduction, when I am asked what might be the possible causes for an expenditure reduction.

If you think it is inappropriate, then I can keep my answers really short and you will not get the full answer to the thing that you actually asked.

I have, by the way, Mr. Chairman, the information that was requested by the member for Wolseley (Ms. Friesen), which I indicated I would get by 5:30 and we are 10 minutes ahead. May I put that in now?

The member for Wolseley had asked about the '94-95 fiscal year, the year we are in. She had asked about how many affirmative action candidates had been promoted or trained for promotion, I believe was the question. We have one female native curriculum consultant who was recruited from an educational institution. We have one visible minority who is now a Policy and Research analyst for Advanced Education. We have one disabled clerical employee who was redeployed from another area. We are in the process of conducting a very intense search for a principal for the School for the Deaf, who would actually be deaf as well. That has been a very wide and intense search, as those who follow that issue will probably know. We hope we will be successful there. If not, we do have a fully bilingual principal there right now who is totally fluent in ASL.

I have to qualify this again because we do have people who have asked not to have their affirmative action qualifications noted, so those are the ones who have declared their affirmative action status and asked to have it recognized. We cannot record people in any of those categories who do not wish to have their membership in any of those categories declared. While others are there, we cannot count them because they do not wish to be counted as an affirmative action candidate, but we do have those who have been promoted in this '94-95 fiscal year.

\* (1720)

**Ms. Friesen:** I thank the minister for that and I will come back to that in a minute, but I did want to put on the record a response to the minister's earlier comment where she appeared critical of our desire to look at 1993 numbers. I just wanted to tell the minister that the reason we are examining those is because the Annual Report for Education and Training of '93-94 was very properly just tabled last week.

This is the most recent issue of annual reports, where we do have the ability to examine both the actual and the expenditure so that is the reason we are using the '93-94 numbers. If we had '94-95, we would certainly be using those, but obviously those are understandably not ready yet, so it is not from any archeological or

arcane desire to look, as the minister said, back to 1988. These are the most recent.

My question at the time was not specifically the environment that this happened in, but it was to establish whether this was the first time that that had been underspent. If I were to go back to previous annual reports, would I find comparable material where I could find out for myself whether in fact there had been the same pattern, whether I could look at the same pattern in earlier years? That was the intent. That was with the kinds of words that I used at the time, and I think—well, I will leave it at that. That is an explanation of why we are looking at 1993.

In response to the material that the minister has just tabled, I did ask an additional question and that was about training programs, career development for visible minorities who might want to be promoted or might be looking for those kinds of opportunities. What exists in the department and have people been able to take advantage of government-wide initiatives on this?

**Mrs. McIntosh:** There are no training programs specifically geared to any particular category of employee. The department, however, does have very intense training available for those who are employed within the department, and they encourage all those who are interested to take advantage of those training opportunities, and that would include the people in these categories that are under discussion. So there is no program designed or geared specifically to them, but they are encouraged to participate in a very wide variety of training opportunities that are there through the department.

**Ms. Friesen:** I realize that we have actually passed this line. This was on 16.1(d). My questions were really coming from the line that said that this department, Human Resource Services, was responsible for continued career development initiatives for people in affirmative action positions. Is that something that has changed, or has it always been the policy—or how has that line been fulfilled? I guess that would be the most straightforward question.

**Mrs. McIntosh:** Just to use one example, we have people who have been moved from a clerical position

into a more senior position, and they are being trained on the job, so to speak. At the end of the on-the-job training, their skills are upgraded as they are moving into the new position, and then when the training is complete, they are reclassified into that.

It is individualized in that sense, and people are encouraged to accept those kinds of advances. We do have specific programs for members of all designated groups, so for females, in particular, moving up the ladder, so to speak, from clerical into management and receiving training once they are there, specifically for what they need to do while they are there, will result in a reclassification and promotion for them.

**Ms. Friesen:** What I am hearing then is these are not specific to the department, that they are general across the civil service, and the department's role then would be to identify and encourage people to participate in those.

**Mrs. McIntosh:** Yes, it is both, and we do have one visible minority person right now who is in that particular situation, who has been trained and has been given the opportunity to move into high-level computer technology; just that very example that I gave.

**Ms. Friesen:** I guess, for the record, I am moving back to 16.1(e) that we are on, which deals with Financial and Administrative Services. I wanted to ask the minister about the proposed increase in Supplies and Services and in Equipment Rental.

The Supplies and Services, first, goes from \$79,900 to \$142,600. Can the minister give us an account of what is anticipated there?

**Mrs. McIntosh:** I think if we had "rent" at the beginning it would make more sense, because what we are talking about is that item we talked about yesterday where we had the 270 and some odd thousand dollars and we had within that fluctuations. This is a rental accommodation line that we are talking about. It is harking back to that same item we discussed yesterday. I think if they put "rent" at the beginning it would—instead of right now it looks like it is renting and equipment, which it could be, but it is also renting lease space.

**Ms. Friesen:** Mr. Chairman, actually there are two lines there. There is one equipment rental which goes from 54 to 115, but the one I was asking for first was Supplies and Services from 79 to 142.

**Mrs. McIntosh:** Okay, the 115 that you are looking at there is one of the parts of the breakdown of the 142 in the next column. I am advised that in there we have accommodation costs.

\* (1730)

**Ms. Friesen:** Mr. Chairman, yes, I made a mistake on that line.

The equipment rental then is the portion of the increased rental for this year that is charged back to this department for the sort of Ness-two-sides-of-Portage Avenue move. Okay, I understand.

**Mr. Assistant Deputy Chairperson:** Item 1. Administration and Finance (e) Financial and Administrative Services (1) Salaries and Employee Benefits \$905,500—pass; (2) Other Expenditures \$218,600—pass.

1.(f) Management Information Services (1) Salaries and Employee Benefits \$597,000.

**Ms. Mihychuk:** My question is in regard to the proposed student ID system. Is this the appropriate line for discussion of that item, and if not, could you let us know where that would be included?

**Mrs. McIntosh:** 16.5(c) apparently is the line that would come under.

**Ms. Friesen:** Mr. Chairman, I would like to explore a little bit the connection between the Management Information Services and the student information services that does come up later.

Some of the material collected seems similar, at least in the bald outline that is in the appropriation books.

Could the minister give us perhaps a brief description of the differences between the two and are there overlapping areas, or are we in a process now where

some aspect of Management Information Services are going to be phased out and added to the student information services?

**Mrs. McIntosh:** Both the MIS and the EIS are in the same branch. One, the MIS will gather all of the information in. The EIS—I am getting it backward here, sorry.

The EIS gathers all the information in from the divisions, so that is information from schools, that detail. The MIS provides the technology to the departments for that. One is coming in and one is going out, and they both work in the same area, the same branch.

**Ms. Friesen:** Mr. Chairman, when the minister says EIS, is that the same as the student academic record system? Is that the area that she was identifying under 16, or are we looking at three different systems here?

**Mrs. McIntosh:** The schools information system which was called EIS but it is one and the same.

**Ms. Friesen:** So we have two systems, one which deals—and this is the later one, the student, formerly EIS—with the gathering of information from schools and school divisions.

When I look at the annual report for Management Information Services Branch, when it talks about the production systems of the school personnel system, the public schools finance system, the independent study program, the student academic record system—and I am on page 14 of that annual report. Is that then talking about the SIS, the former EIS? It is dealt with in the annual report under the Management Information Services and that is what led me to think that there appeared to be considerable overlap.

**Mrs. McIntosh:** We are essentially talking about two systems, SARS, which is the old system. I say old; it is the one that has been in place. It just strictly collects high school marks. All the high school marks go in, are stored and spat out. That exists right now. In the developing stage, not yet ready for implementation is what is called an EIS which would be a more comprehensive information and data-gathering system

than SARS. That is still in the development stage.

When it is ultimately ready and has passed all the criteria that we have that we need it to meet, it will then replace SARS and you will have ultimately a more comprehensive—more ability to trace without having it moved from school to school to school. You will still be able to have those records followed and not lost and so on.

\* (1740)

**Ms. Friesen:** That replacement of SARS is what is discussed on the—I should get that number right—16.5(c) was it? Okay. The other elements under the management information system which are in the unit that is called the application development unit also deal with external agencies and public schools, the personnel system, the independent study program and then some which are internal, the voucher finance system, and I assume the public schools finance system.

So some of those are internal, some of those are external. Do those still remain under Management Information Services? Are some of those functions going to be moved to this other line?

**Mrs. McIntosh:** Eventually, ultimately, we expect that all the external systems that are out there right now will become the EIS systems, and they will work in concert with school divisions, gathering data and forwarding data electronically through technology.

They will also service the department, giving us our most up-to-date data, so that we have an ability to, not just in terms of being able to provide information for the students' benefit, but also so that we can track data, statistics, standards, mobility, all of those things we are asked about and we need to have in mind as we plan educational functions and programs for Manitobans.

As I indicated, ultimately all the external systems will come under that. The old systems then will be phased out. We are not there yet, because we still have criteria that need to be met for our own standards, but the technology is certainly there and extremely exciting. The potential for the kind of background that I had as a child, highly mobile, moving from school to

school to school, is wonderful because it would certainly enhance moving into new systems and moving into new areas in ways that were not there for children in the past.

**Mr. Sale:** I wonder if the minister could outline when she expects to have a beta system ready to go on this for a beta test.

**Mrs. McIntosh:** We do have a line that we will be coming to that delves into this in full, and at that time—I think that might be a more appropriate time to go into it because it is a very large area. The technological work is well underway, but there are still a lot of other questions that need to be answered in terms of exactly how the information will be used, privacy protection, a whole wide variety of items like that, so I cannot tell you right now exactly when it will be up and running.

I know the technology component is available in there, but I need to get those kinds of projections from the staff who have been involved in working on it. I come new to the department. I have been here four weeks now, and those types of specific issues and details on projects that are underway I do not have at my fingertips, but when we come to that line, I could probably be able to give you a more complete answer.

**Mr. Sale:** I thank the minister for that answer. I am quite prepared to come back at that time, but maybe I could flesh out the kinds of things that I would like to ask at that time so that staff might be prepared.

There has been some discussion about the unique identifier, as to whether the unique identifier would have use beyond education. Is there a plan to develop a single provincial-wide unique identifier for every Manitoban, essentially assigned, well, probably at birth or whenever that person first comes in contact with a provincial system, whether it is the medicare system or whether it is the school system, but is that part of the EIS proposed plan, so that information around how is this identifier, and that leads into the questions the minister alluded to, which were dealing with confidentiality and that sort of thing.

Secondly, could the minister provide the identification of the companies or consultants who are

involved in developing this program, or is it being developed entirely on a house-staff basis?

Thirdly, could the minister share with the committee the degree to which the current school divisions of Manitoba are using off-the-shelf or off-the-shelf-modified programs which do in very large measure what the minister is talking about? I refer to companies like Columbia, Trevlac and other software suppliers. There are even a couple of Manitoba suppliers which I think probably a very few schools may still be using, Norcon, being one that comes to mind. Well, I am not sure whether Norcon is even still in business, but it is a small Manitoba company.

Fourth, could the minister respond to the question of the current student records branch, which I believe is in Roblin, is it, or Russell-Russell? When I was last aware of that branch, which is now a couple of years ago but some years after I was fired by that department, I think there was, at that time, something like eight years of records unentered into any data systems. I would appreciate the minister letting us know what the backlog is in that branch. I would assume that since SARS is basically at this point I think an archive system that is—it is a historic system with no recent data in it as far as I am aware, no recent exam results in any case. Perhaps the fairer way to ask that is: What is the current status of the SARS system? What is the data backlog and what are the plans, if there are plans, to deal with that? It may be that you are planning simply to wait until you have EIS and then deal with it all at once.

\* (1750)

Those are some of the questions that I would appreciate being able to get some answers on at the time that we deal with this issue. I would like to say, I know the minister considers me argumentative—and I do not particularly want to be argumentative on this, but it troubles me to no end that we make a great deal about policy evolution in Manitoba in terms of education programming, and unless something has happened in the last year between the time Mr. Manness appeared at Kelvin High School on a panel at which he confirmed that there was no student information system and that there were no student

records available on computer for use in any kind of way that one might study retention rates or drop-out rates or patterns, course patterns or anything like that, then I have become very concerned about the basis on which we are making far-reaching decisions about program evolution and change.

Because so far as I know, for example—and Mr. Manness at this time at least said this was the case—all of the drop-out data, retention-rate data apparently, again according to Mr. Manness, comes from StatsCan and not from Manitoba sources. That is not from the Department of Education being able to speak about the retention of children from kindergarten to 12 or whatever.

I hope the minister will really dig into this area, because this is not an area that our government could be proud of in the 1980s, in the early '80s. We were in a position in 1986, '87, '88 to recover the damage that was accruing at that time. That plan was ended by Mr. Derkach who was then the Minister of Education. He froze that program. From that time forward there have been attempts to solve the problem.

In 1988-89, Manitoba was wider-regarded as being in a leadership position and that was at a time when your government had taken office and we were working on the initiative to try and bring student records up to some kind of semblance of usefulness. We had conferences in Winnipeg at which people were looking at what we were proposing to do with great interest. Since that time, we appear to have moved in a completely new direction, which is to develop an in-house solution to something which school divisions across North America, far larger than Manitoba, have long since had solutions for.

School divisions in large American cities, with far larger enrollments than Manitoba has, have run information systems for years. The Trevlac system, the Columbia system, both of which were tendered in the original request for proposals which we made, both of those systems have the capacity to do exactly what the minister spoke of and that is to do electronic data transfer, to do electronic student record transfer, to do divisional roll-ups, to do statistical examination of patterns of course enrollment, course drop-out by

gender, by age, by family type. Those capacities are there.

Manitoba, at one time, owned a site licence for the province for that system for which we paid \$200,000. That program was installed in, I think, 200 schools before I left my position—out of our 700-and-something schools—and some divisions had it installed in all their schools and were using it as a divisional system—Brandon, Pine Creek, several others. It is in wide use in Fort Garry. It is in increasing use in Winnipeg No. 1. St. James, as you probably know, used Columbia. It is also a very good system.

So I am really puzzled about this whole area as to why it has taken seven years and we still do not have a beta system.

**Mr. Assistant Deputy Chairperson:** Order, please. As agreed, I would like to suggest that this section of the Committee of Supply temporarily interrupt these proceedings so that Madam Speaker may resume the Chair to permit the House to determine whether there is agreement to amend the previously agreed to sitting hours for tomorrow morning.

**Some Honourable Members:** Agreed.

**Mr. Assistant Deputy Chairperson:** Agreed and so ordered.

## HEALTH

**Mr. Chairperson (Marcel Laurendeau):** Will the Committee of Supply please come to order. This section of the Committee of Supply has been dealing with the Estimates of the Department of Health. We are item 1.(b)(2).

Would the minister's staff please enter the Chamber at this time?

**Mr. Kevin Lamoureux (Inkster):** Mr. Chairperson, yesterday, the Minister of Health stood up in response to a question that I had posed to him the other day with respect to the EPF funding, and once again today we had a question in Question Period regarding the level of funding.

(Mr. Mike Radcliffe, Acting Chairperson, in the Chair)

What he had indicated yesterday to me was from the '92-93 to '95-96 EPF transfer payments, the question that I had asked him was the portion of EPF funding towards health care. I believe what he had given me was the EPF funding for all three, the Family Services, Education and Health care. I would wonder if he actually has the breakdown? Just the health care is what I was hoping to get.

\* (1450)

**Hon. James McCrae (Minister of Health):** Mr. Chairperson, the short answer would be, no, to the very specific question because the dollars do flow from Ottawa, the transfers. What dollars do flow, flow in such a way that provinces still have a fair amount of say over how those dollars are spent. Also, the picture gets somewhat blurred even more when you start to look at health as well as health care.

The honourable member will, I know, recall recent discussions about how certain preventive measures that can be taken that are funded by government of one kind or another can have a very profound impact on the health of the population and yet not be technically part of any established program's financing scheme. So the kind of number that the honourable member is looking for is not so easy for anybody to identify, certainly not me.

The member might try addressing that specific question to the Finance minister or the Finance department here in Manitoba, or in any other province for that matter, and see what kind of answer that is forthcoming. More and more, it is becoming an effort to address the health of the population as opposed strictly to a strict insured services aspect of the delivery of health.

Canadians are very proud of our health system, and so we should be because, obviously, we politicians and many others spend a good part of our lives discussing and debating the whole issue of the public's responsibility to the public's health. There is a very big difference these days between health and health care.

As I say, our medicare system began as a system to avoid those catastrophic events that the Prime Minister recently talked about in our lives that we can avoid by having a government-funded health care system. But, more and more, we have to look at what it is that makes us unhealthy in the first place and what it is that makes our lives of a quality that we do not require acute health services until perhaps, in some cases, very late in life, in some cases, fortunately, never, depending on the circumstances of one's existence on this Earth and when the end comes, the nature of that ending.

The honourable member for Kildonan points out to us that such simple things as—simple to us, it seems, sometimes here in the city of Winnipeg—a clean water supply, what that can mean to a population's health. That is one of the best health expenditures we can make, is a good, clean water supply.

Then, of course, if we look with interest and care at the nutritional requirements of the human body and if we pay proper attention to feeding our bodies appropriately, getting the right measure of exercise to keep ourselves in good condition, well, we can greatly enhance the quality of our lives, we can greatly enhance the length of our lives. I think a comparison between our country and other countries is relevant to this as well.

I am not trying to make a lengthy speech in response to the honourable member's question, but the direct response is that, no, the kind of information the honourable member is asking is not available to me today or the staff I have working with me here today. It might be something we could ask the Minister of Finance (Mr. Stefanson) but, I dare say, even the answer forthcoming from that quarter would not be terribly clear, because it is a very complicated network of cost-sharing programs when you talk about established programs, financing and when you talk about the whole issue of equalization and the Canada Assistance Plan.

All of those things it is now being proposed be put into a single pot, as it were, and shifted over to the provinces, and then we are to do with it as we see fit I assume, subject to the rules that are laid down in legislation.

Those rules are becoming less and less enforceable I suggest. It is a strong argument that is being made. I have not heard the response from the federal government to that argument, and I do not raise that for any particular partisan purpose, because I did not hear any response from the previous government either on this point.

The fact is federal governments are facing a future like the rest of us, and it is a future in which we all have to be very realistic as Canadians and as taxpayers. I do not want to let the federal government off the hook either, so I would not do that.

I regret that we are in this environment. I think it was preventable. I think that the governments of 10, 15, 20 years ago and even a little further back bear a lot of responsibility for the problems we find ourselves in today, but there again Canadians were there putting those governments in office. It was a democratic process, so it is not really fair either to single out any one particular group or individual for blame. That is not the real point here I do not think.

I think the point is can we work together? I hope there will be genuine efforts on the part of all governments at all levels. The problem with our federation, and it is the best country in the world, but we have a very complex political system which finds one jurisdiction or another in the middle of an election at any given time which makes useful discussion about long-term planning somewhat difficult, as I know the honourable member may understand.

I do believe the federal government, when they tell me that they are there and want to be part of the discussion, I intend to take them up on that offer. We have been doing that. I only caution that in real terms, and the member for Crescentwood (Mr. Sale) would probably back me up on this, the federal government whether it has any choice about it or not seems to be taking itself out of the discussion of national shared-cost programs simply by coming up with some kind of formula that may be seen to be somewhat simpler but does not place priorities where perhaps they should be.

So it almost does not matter any more what the real answer to the honourable member's question is in a

sense. It almost does not matter any more, because the dollars are declining. There is no way the honourable member can argue that they are not, and I do not think he is trying to.

His former colleague, the former member for Crescentwood, Avis Gray, immediately after the release of the federal budget tried to minimize the impact on health of the federal budget. Maybe there is somehow she can do that in the short term. I am not sure how, because I do not really agree with her. But even if she could do it in the short term she is not able to do it in the long term, and neither is anybody else.

There is a stark reality there, and rather than wring our hands and wail and moan, as we hear in some quarters in this Chamber, we should embrace the challenge that is placed before us. If we are not up to the job, well then why did we seek it? If members in the New Democratic Party are not up to the job of being part of a system that wants to run a sustainable health care system, why do they not all just resign on mass, because they do not have anything to offer to the debate.

Anyway, I digressed again, Mr. Chairperson, and I should not be allowed to get away with that. I realize that. I see the member for Swan River (Ms. Wowchuk) is here to make sure I do not get away with it for very long, so I will not go on in that vein very much longer.

\* (1500)

The only point I make is that while it is regrettable, the federal budget seems—I call this the first federal budget because the one before that was really a hold-the-line or caretaker budget or whatever you want to call it. This one was the first sign of what is really going to be happening in Canada. It might have been good if we had gotten that sign sooner so we could have started planning even sooner.

However, we have that message. We know the message is not going to get any more pleasant, so why do we not roll up our sleeves and work together, which is a plea that I seem to be making almost every day in this House. I look for co-operation. The slate has been cleared off. The election is over. Let us roll up our

sleeves and work together and save the political brownie points for some other time when it might make some kind of difference. I think the people of Manitoba expect us to work together, and I am prepared to do that.

**Mr. Lamoureux:** Mr. Chairperson, I am always glad to hear a Minister of Health indicate that he is prepared to work together.

In the response that the minister gave, I am a bit unclear in terms of when he says, look, we received, for example, \$416 million from the federal government. The Department of Health cannot necessarily tell how much of that money would have come towards Health, of the \$416 million. Is that not a figure which the Department of Health would be able to generate, if not right now, that they could provide for us?

**Mr. McCrae:** That is the same kind of debate I think that we get into when the New Democrats—for example, they brought in what they called the health and education tax, which the honourable member and I probably both affectionately refer to as the payroll tax.

Then we get into a discussion, oh, what are you going to be doing with all that money that you are gouging from the people and destroying jobs in the process? Well, the answer is, it goes into the Consolidated Revenue Fund of the government.

The spending of those dollars represents the priorities of the government as contained in the Estimates the honourable member has before him, not unlike the debate that rages across the province about, oh, what are you doing with the VLT dollars and what are you doing with the gambling money and so on. Well, we sometimes get into the act ourselves and play that game and whether we should or not, I leave for others to judge.

Every dollar that is raised at the casino on Broadway is spent on health. Does everybody know that? Well, to some people, that is very important, but, to me, what is important is that as a percentage of all of the spending of the government, nearly 34 percent of it goes to health, and that is the highest rate anywhere in the country. Part of our revenues are federal transfers.

Part of our revenues are personal income taxes and job destruction taxes, otherwise known as payroll taxes. Other revenues are the sales tax and VLT monies and fees and one thing and another that we get from various services that are provided by the government in the province.

So I wish it was simple enough that I could say to the honourable member, well, of those millions that we get from Ottawa, this is how much we spend on home care and this is how much we spend on hospitals and this is how much we spend on personal care, but it is not accounted for that way.

The dollars that come from Ottawa are placed in the Consolidated Revenues of the government of Manitoba, and then the Estimates that are printed up each year reflect the priority spending of those dollars of the provincial government.

**Mr. Lamoureux:** Mr. Chairperson, if I understand correctly, the province receives a lump sum of \$416 million. That money is allocated as money to be spent on education and training, family services and health care. Then it is the province, through the Minister of Finance (Mr. Stefanson) and through him the cabinet that ultimately determines whether or not the actual amount of dollars from the transfer is greater or lesser than health care. So it is not necessarily fair nor appropriate to say that millions of dollars have been taken away from health care from the federal government with respect, at least, to this most recent budget.

What we are talking about, and using the Minister of Health's financial figures, is that there has been a loss of transfer payments, of EPF funding, of \$4 million. There are three areas that this EPF funding is supposed to be targeted towards, education and training, family services and health care. At least, I believe those are the three for EPF transfers.

**Mr. McCrae:** Post-secondary, health and welfare.

**Mr. Lamoureux:** Health and welfare, exactly.

When I look at the further breakdown that the federal government provides in terms of other monies that are

given to the province, I look in particular, as I pointed out earlier, at the Canada Assistance Plan where there is a substantial increase of dollars towards health, and I see another increase under the Other under the category of Health. Then I see the EPF, a total reduction of \$4 million, whereas you are getting an almost \$2-million increase on other lines that are coming from the federal government going directly to health.

Yet it is the province, the cabinet, this minister, that ultimately determines how much of that \$416 million is going towards Health. Yes, it still is a net decrease, but I believe the impression that this government, with the assistance of the official opposition, is trying to give is that there are literally hundreds of millions of dollars and the federal government is not going to have any role whatsoever in health care unless things change.

I guess I would ask the minister, what sort of a time schedule does he see? We have seen since '92-93 the federal transfer payments were \$424 million; '95-96, \$416 million. I am not familiar with the formula that has been referred to that is supposed to phase it out. Can the minister give some sort of an indication, No. 1, on how that money is being phased out so by the year 2000 where will we be at; and, No. 2, to indicate whether my interpretation of what he was saying is correct, that in fact it is the cabinet that ultimately decides where that \$416 million is going to go, thereby if they decide that health care is a higher priority they could actually ensure that the EPF funding of health care is more than what it was in the previous year?

**Mr. McCrae:** Mr. Chairperson, I will attempt to answer. I just missed the last few words which may have contained a second question. If they did the honourable member can ask me when I am done.

The honourable member used the figure of \$416 million as being a federal share, of what we are not clear in our discussion today. Let us say \$416 million was simply only to cover health. Let us just assume that, out of the federal transfers. Well, whatever the question is or whatever the point attempting to be made here, I say, so what? What is the point? Our budget is \$1.85 billion for Health in Manitoba. That is with a B.

That is a lot of money and by far the vast majority of the funding for health care which once was supposed to be a 50-50 project, federal-provincial is now far from a 50-50 project and declining.

How is that being phased out? I could ask the honourable member to refer again to the budget documents that have some projections in there. You could ask also the federal colleagues we have on this point, at what point will it be zero? I am not sure exactly when that will happen, but the reason I say, "What is the point?" is that the \$400 million is not an insignificant number of dollars, but when compared with what it might have been if we had kept to a 50-50 formula like we initially started out with, it would be a lot more money, and it would be far more significant than it is today.

\* (1510)

The point that I am making is that it is becoming less and less significant, that federal dollar. I sat in councils with the former member for River Heights, the now honourable Senator Carstairs and listened to her preach lengthy, lengthy sermons, giving lengthy, lengthy lessons, which was something that she did a lot of, about the importance of the strong central government and how this was vital to the preservation of our social programs.

Going back a little further, we used to hear Joe Clark—just as an aside, I never get lectured like that by the present member for River Heights (Mr. Radcliffe). The present member for River Heights, if there was a word in the dictionary, "team player," there would probably be a picture in the dictionary of the honourable member for River Heights there. So I just pass that just to let honourable members know the change that has occurred.

I go back even further than the comments of the former member for River Heights, the honourable Senator Carstairs, to the days when some people used to laugh Joe Clark out of the room when he would talk about Canada being a community of communities. That was an expression that used to be used. Well, I ask those who were laughing so much in those days to have

a look at the 1995 federal budget and ask yourself, what is going to be the result of that situation?

Again, for the honourable member, I say, I do not blame that 1995 budget. Because of profligate spending and very unwise budgeting in our country over many years, it has come to this. But Joe Clark was a man who had a vision which had a nice little sprinkling of reality in it and did not only reflect people's dreams that were not based on anything.

Too many of us, and I include myself sometimes in this bunch, tend to get a little carried away with our own rhetoric about what our country is and what it can be. Well, I happen to know that what our country is is the best country in the world, and it is not my opinion. That is shared by organizations like the United Nations which knows a little bit about countries.

So that is what we are, and that is real, and it is not just me saying it. But what could our country be? Our country could continue to be the best country in the world for another generation or two or beyond if we linked arms as Canadians and started to generate a true understanding of what we really are as a country.

Maybe this does not really go beyond a discussion of the Estimates of Health in the Province of Manitoba in 1995 or is not relevant to that discussion, because it is very relevant to that discussion. It is time for those with vision mixed in a little sprinkling of reality. In fact, a good dose of it would really be good for all of us because there are people who are depending on us to do that.

Canadians have said more loudly than ever, we are sick and tired of rhetoric, we want people to tell us the truth, we want politicians to start planning realistically like we have to plan in our homes and in our businesses. That is why I am kind of proud to be part of a government that for seven straight years has been dealing with the realities of the situation we find ourselves in, in Manitoba, rather than pretending and borrowing on the future of our children to present a very artificial picture to people and make them feel all warm and fuzzy when they go out to vote on election day.

Well, people are just too smart for that; they do not want that approach anymore. They want politicians and leaders, at all levels, to bring reality into the discussion.

If Joe Clark made a contribution to our country, and he certainly did in many ways—a lot of people will acknowledge that—but he certainly was ahead of his time, perhaps, in the sense that he could see what was happening in our country. He was prepared to grasp whatever opportunities that presented. Rather than looking at everything as obstacles, he was prepared to see opportunities and grasp those opportunities and make the best of them with a view to the future.

I did not mean this to be a discussion about the life and times of Joe Clark, or Sharon Carstairs for that matter, but those people really present, the two, the contrast between the real world and the world that never was and never could be. I think it is important to note that the one who represented the world that never was and never could be is in a place that never really seems to be either. That is the judgment of a lot of people, and of course, we question how that all happened.

We know how it happened, but we question why it happened from someone who espoused such high ideals when in elected office and in exchange for an appointment sort of ventured off into something altogether different.

In any event, the question is how federal funding is going to be phased out. It is still a question for the honourable member to discern on a review of our own budget documents here in Manitoba, perhaps, directing the point to the Minister of Finance (Mr. Stefanson). Also it is something he could discuss with his federal counterparts to find out just where they believe they are taking us.

All I say is that we are all going somewhere together, and I do not know if it is a better situation. It is certainly not as liquid money-wise, but we can demonstrate that no matter what your political party, if you are willing to put the interests of the people first and stop attempting—and this is not directed to the member for Inkster (Mr. Lamoureux)—to simply score

short-term political brownie points day in and day out but instead take a real look at what is happening, we will serve the people better.

I should not give political advice to my opposition colleagues, but that approach also seems to have a political benefit attached to it as well in the long run. If you just come clean and be straight with the people, the people I think tend to extend more credibility to you and give you the opportunity to continue to serve.

**Mr. Lamoureux:** Mr. Chairperson, I appreciate the advice.

What is important, and the driving point that I was trying to get across after hearing the minister's response to my initial question is of course that the federal government—and yes, we would all love to see more money coming from the federal government through different forms of transfer payments and so forth. The pros and cons of equalization payments is something which I do not need to talk about. There is definitely a cost in terms of the higher equalization payment we get. That means we are doing that much worse off, relatively speaking, to all the other provinces, and that is what causes the equalization payments to go up, if you like—[interjection] And population.

What has happened is the federal government makes a decision, it has quite a dramatic impact, but I do not believe that we need to go around saying that the sky is falling, because I do not believe that is the case. I am pleased to see at least the federal government, for example, is trying to come to grips with the financial affairs of Canada, or we could be in the situation that Newfoundland was in a number of years ago where they were not given any choice but had to start cutting back. That, in itself, would have more of a dramatic impact.

I too am disappointed whenever I see EPF funding going down, but I do not want to overexaggerate. I hear advice that comes from the other side, from both sides, the official opposition and the government, that, you know, do not attempt to defend the federal Liberals. It is not to defend. It is to ensure that it is not being exaggerated. That is the concern I have, that yes, we are taking about a substantial amount of dollars.

The EPF funding which we are given as a block, if the Minister of Health says, look, we want a firmer commitment from the national government towards health care, well then maybe what we should be doing is, collectively as three political parties, saying, we want you to tie a percentage of the EPF funding that is being transferred over to us to health care, so then there is an obligation of the cabinet that if the federal government is assigning out \$416 million towards health care, a certain percentage of that is going to go towards health care, period.

\* (1520)

Then we are better able to tell, as representatives, of the real impact, because it goes into general revenues, and this is what the Minister of Health is in essence saying, that the federal dollars that come are going to general revenues and the cabinet decides where that money is going to go. If you carry that logic forward you will see then that, for example, the overall contribution from the federal government is substantially more this year than it was last year. So if the government is true to its words when they say Health and Family Services and Education are the three top priorities, then these three areas should have received that much more in terms of percentage of financing through the federal government. Then there would not have been a decrease in federal commitments, because the overall dollar amount is in fact more.

Again, Mr. Chairperson, the reason why I bring it up is because I did want to get some better explanation when the minister came forward yesterday with some actual numbers. I am somewhat surprised to see that we cannot find what percentage of that \$416 million goes towards health care in the province, that in fact it just goes into general revenue. Maybe it is time that we start looking at flagging more of the federal dollars to some of these departments, so then we as elected representatives can be better able to comment on exactly what it is the federal government is doing. The minister can always comment on that if he so chooses.

I wanted to move on to what I had started my discussions on this time last week or whenever it was, and I started to ask about hospitals. I want to talk about

some of the facilities that are out there, and the minister went through different types of hospitals, if you will, urban versus rural, smaller community hospitals versus our educational centres and so forth.

After the hospitals I was interested in the personal care homes and trying to get a better understanding of personal care homes and would ask the minister if he can give some sort of indication—if he has, and I am sure because there have been questions regarding it—of actual numbers of personal care homes. What are the different levels, if there are different levels of personal care homes?

**Mr. McCrae:** Mr. Chairperson, I certainly cannot blame the honourable member for any confusion that might have arisen in the last day or so on the issue of personal care homes that the honourable member for Kildonan (Mr. Chomiak) and I—I think the two of us really managed to give a really confusing picture out there yesterday.

I will take my share of responsibility for that, but I will tell the member for Inkster that my staff have told me that we will make available or can make available, which I agree, to the honourable member a complete list of each and every personal care home in our province, the number of beds that are in service in each one, the levels of care provided in those places and the definition of the different levels of care. That may once and for all clear the matter up for the honourable member. It is true that at any given time it can be a little bit difficult. What happened this year is that we had changed our system of reporting and both systems seemed to be represented in the supplementary information that we provided which, regrettably, did provide an unclear picture.

But I reject and resent the suggestion that this was the kind of information put out for electoral purposes because that information came out long after the election and was only presented to the House in anticipation of the Estimates some 24 hours or less before the Estimates process began. So any suggestion by the member for Kildonan, which happens every day and does not help as we try to develop a strong and working relationship with him and with other Canadians to build our health care system, is a

disservice as opposed to anything else. So I am kind of critical about that of the honourable member, but then he is usually very critical of me too, so I guess I do not have to be too concerned about making a criticism like that.

The honourable member made a reference to the sky falling and saying that we should not be talking like that and we should not be encouraging that kind of thinking, and I am with him 100 percent. He is saying the same thing I would say.

I have so much optimism for this country and for this province and I am glad it is shared by some people in this House and elsewhere. In fact, I think that there is amongst Canadians a higher level of optimism than there is of pessimism. Unfortunately, there are some who represent the pessimism side of the thing, the pessimism party versus all the other parties which are the optimistic parties in my view.

So I agree that we should not be exaggerating when it comes to the situation the federal government faces and how they are dealing with it. No doubt the federal government is going to take its share of criticism; all governments do. That is the way the system works, but let us not exaggerate what already can be seen to be a serious situation in some circumstances.

I take my responsibilities seriously. I believe the member for Inkster does too, and so while we are doing that it does not help anything to exaggerate the facts whether they be the good facts or the bad facts as they pertain to somebody else. There is no service there, because ultimately the people are going to see through that all sort of thing anyway. That has been my experience. So I think people really do want just to be told the truth about things.

With respect to that sky-falling scenario, it needs to be said—I guess if you do not like repetition you should not get into politics, but I have learned one thing in this business, and that is that repetition is necessary whether you like it or not. Whether it is in this place or wherever you go as a member of the Legislature or an elected representative, in order for the message that you want to be heard to get across, it of necessity has to be said over and over and over again.

Anybody who was involved in the election campaign recently knocking on doors will know what I mean, because you very often have to say the same things over and over all in the same day. You start to think, well, this is kind of ridiculous, but it is not, because you are talking to different people everywhere you go. So those who shy away from repetition maybe ought not to get involved, because repetition is necessary in order to get a message across.

\* (1530)

There are experts in the field of communications who say that in order for your message to start to be appreciated, understood and accepted, it has to be heard by the same people as many as seven times. That is an interesting little tidbit, but it does explain why those who work closely with us may get a little weary of hearing the same things over and over again. I do not know if seven times is the right number or not, maybe it depends on the listener or depends on how well you put the message in the first place, but those of us who do not communicate all that well do have to say the same things at least seven times. I have a colleague in the House who suggested maybe 15 for some people, and that may be true in some cases.

The honourable member for Inkster (Mr. Lamoureux) asked though about tying a percentage of the established programs financing to health care. I do not know exactly what that achieves except for I guess the federal government to be able to say, well, this percentage of our contribution is supposed to be used for health care. Maybe he means it to help the federal government monitor what is happening to its share of the spending on health care, because as I said a little while ago, it goes into general revenues. The honourable member could perhaps argue that, well, yes, so it gets spent on maybe highways or on natural resources or some other thing other than health.

Well, my response—if the honourable member is looking for a deep and clear understanding of federal-provincial cost-sharing arrangements, he is really talking to the wrong person. I think he already knows that, but it is an interesting discussion nonetheless. I think that the honourable member for Crescentwood (Mr. Sale), the Minister of Finance (Mr. Stefanson) and

other people in this House, because of their own backgrounds, may have more detailed lights to shine on the type of question the honourable member asks. But for my purposes, as the spender of \$1.85 billion, of course it is important that there be revenues for me to spend as a minister in my department, and if there is a case to be made for a larger number of dollars somehow, I should make it not only through my own colleagues here but if necessary to make my case to the federal government as well, because they are still involved.

Tying a percentage of EPF to health care, it may be just my own thickness but I do not know what that would achieve, because what percentage of \$1.85 billion is the federal government wanting to cost share under EPF, and will it look like very much? Well, we know that it will not, and all it is going to do, whatever that percentage is, it is going to decline.

The other point that has to be made is should some of that percentage be spent on infrastructure development in our communities, because infrastructure development has so much to do with our health. I mentioned earlier clean water. Well, waste water treatment, sewage disposal systems, environmental protection are all health issues. They are not pure health care issues in the sense that we have come to understand health care, but I keep raising this, not for the honourable member so much as for the record and for those who might be listening in to this discussion today or reading about it in Hansard.

I want to talk about health. I want to talk about the health of our population. I am not doing that to divert attention away from bed closures in hospitals or to divert attention away from cuts in other areas of health care in favour of increases in health in other areas, because I know I can make a case on that basis that where there has been cuts I can show you corresponding spending increases in most cases. In any event I can show you the biggest budget in Canada as a percentage of budget, so I feel that I am in a good position to engage in this discussion.

So I say to the honourable member, not that I resent his question or anything like that, all I say is, what are we really talking about? The honourable member for

Kildonan (Mr. Chomiak) will talk about home care which is a community service which I support and think is a good thing and can always be better, and I commend the member for Kildonan for doing that. I think that is part of health care reform, even though home care was here before health care reform was a common phrase in our province. Home care was here and beginning to do its job as early as 20 or more years ago.

There are other aspects. In Brandon for example we live not far from industrial plants that emit effluent. Is that the right word, do you get effluent from a stack too? Oh, effluent is what goes in the water. Well, we have those too, but I was thinking of the gases that come out of the stacks. Either way those things can have an impact on your health.

If dollars are spent either in the private sector or cost-shared by the public sector, or if it is a public work, like waste water treatment or something like that and it is public dollars, those dollars are obviously well spent. That is what makes our country a developed nation and other countries not so developed, for the most part. There are some horrible exceptions to what I am talking about in some regions of our country that need to be addressed, and the governments that do not address it are irresponsible. I say that any of those environmental factors have an impact on our health.

What does a percentage of EPF being tied to health care have to do with that? I ask that question rhetorically because I would like people to do more thinking about that question.

We can take this a lot further. What about poor people? Well, they are not as healthy as rich people. They do not live as long as rich people. They get involved in alcohol and drug abuse in numbers far greater than rich people or even middle-income people. What about the suicide rate amongst poor people? What about teenage pregnancy amongst poor people? What about all of those indicators that tell us that part of our society is not as healthy as other parts of society? Gratefully, that part of our society uses our health care system more than the rest of us. That says, to the extent that is happening, then our health care system is working as a socialist health care system

should work, which is to work for the benefit of everybody in society.

When I talk about economic matters, now we are into the family services area where traditionally the Family Services minister takes an interest in that. Well, it is time Health ministers took an interest in those things, too. Health ministers are, I am glad to say, taking an interest in what happens on the streets of our cities, not only in the hospital corridors of our cities or what the public health nurse is doing today, which is very important, but there are other things going on, too.

If a family does not have enough money or enough training in how to parent and those types of things—training is maybe the wrong word—but not the right environment or conditioning or whatever it is that makes a good parent into a good parent, there are some families that do not have the benefit of that.

While that is not a health care issue today perhaps, it certainly can be and will be. Should we not extend the honourable member's question to an examination, well, what percentage of EPF should go to increase welfare rates or, better yet, to find ways for people in lower economic circumstances to access good nutrition?

(Mr. Chairperson in the Chair)

It is one thing to write a welfare cheque to somebody and say, here is your cheque, now go and be healthy. It is another thing to look at how those dollars are being used, what studies are available, for example, on how the welfare dollar is being spent by the end user of that welfare dollar. Is it being used in such a way that the children in those families are getting the maximum benefit from the social assistance dollars being spent? So social welfare is a health issue, and on and on.

We talk about people living in lower economic circumstances. Well, not all people living in lower economic circumstances have children who are deprived of good nutrition. Now why is that? Well, it is a different parenting approach. I think it is very important, and I am glad our colleague the honourable Minister of Family Services (Mrs. Mitchelson) is taking such an enthusiastic interest in issues like very young parents, like nutrition for young children.

\* (1540)

Prenatal assistance—now this is getting a little closer to primary health care. It is primary health care. Prenatal assistance is so very important. Does anybody realize how important a normal birthweight is to the whole life of the baby? Well, the honourable Leader of the Opposition (Mr. Doer) knows about it because I have heard him talking about that, and it indeed is important.

It can be measured in dollars, the value of a normal birthweight, statistically, of course, and it excludes any anecdotal examination of the situation. The profile of the low birthweight child is the profile of a child who has a more difficult childhood. It is the profile of a child who is more likely to be involved in crime, more likely to be involved in drug abuse, more likely not to finish high school. That is the kind of thing that happens with the low birthweight baby. That is what the statistics tell us.

What do we do about that? If we can address the issue of low birthweight and bring about normal birthweights in the babies being born in our province—and there are about 12,000 of them right here in Winnipeg born every year. If you could do something with those 12,000 babies being born to make sure they are born with appropriate weight that comes into normal proper limits, I can show you how people of that generation will live longer, and I can show you how they will cost the health system in the future and the social system and the justice system and all the systems significant dollars in the future.

So if you want to know how are we going to sustain our health care system, well, we are going to sustain it by making some proper decisions today that improve not only our health, but is it not wonderful that when we do that we also improve the quality of our lives? The most unselfish thing we can do, in my view, is to think about the next generation. There are some people in politics who think only of the present generation. Well, we have to think about them too, and we are, as our budgets will demonstrate, but we also have to think about generations to come. Is it good enough for us to take our place in this world for our fourscore and ten or whatever number of average life expectancy that we

now have? Fourscore and ten, that is quite a few, that is 90. Threescore and ten would be 80. I think we are at 80 for females now—[interjection] Threescore and ten is 70 but—

**An Honourable Member:** Fourscore.

**Mr. McCrae:** Yes, recent reports have the Canadian population life expectancy for female persons in Canada to be 80 years old. Compare that with 50 years ago, we have come a long way, but the thing I want to ensure is that those 80 years are happy years, that those 80 years are healthy years and that those 80 years are not characterized by frequent expensive contacts with the health care system that would add to your quality of life too.

So a good primary health approach to these things will really make a difference to all of these things, dollars and quality of care and so on. Another very important reason for us to be in politics is to see to the happiness of the population. With a healthy population the likelihood of producing happiness is greatly enhanced.

Whenever you are talking about tying a percentage of EPF to health care, I will leave that for people like Finance ministers and the member for Crescentwood (Mr. Sales) and people like that. These are important things to discuss, I am just not the right person to discuss it with that is all.

I do say, we can really blur this by putting everything in neat little boxes like we sometimes tend to do, and when we put things in neat little boxes we forget about all the other important things that are going on around us, and not that there is anything wrong with those neat little boxes, it is just that we have to stop talking solely about health care and talk about health because almost everything revolves around the issue of health.

I hope I have set out, without dragging too many numbers into the discussion, the importance of a good start in life, a good reason for us all to pay close attention to the child health document I released just days before the election began. It was still hot off the

press, and I mean hot. It was still warm when I was producing the document and making it public.

We thank Dr. Brian Postl and all of the people involved on the committee for the excellent work they did. It is the first piece of work like that that I know of anywhere because it takes into account databases and population health issues. Like I say, Dr. Postl, I think, should be very flattered too that the New Democrats would take a leaked copy of it and make that their election platform, because it was ours too. It really made the debate, well, interesting during the campaign because it brought in all these concepts that are so very important, but it just made it that much less rancorous because there we were saying the same things.

I was grateful for that because, as I say, I just look for partners, and it is nice to have New Democrats for partners on such an important undertaking as a child health strategy for Manitobans.

**Mr. Lamoureux:** Mr. Chairperson, I look forward to receiving the information as the minister had indicated with respect to the personal care homes. My question is: Can the minister indicate, within our health institutions or hospitals, if he can indicate if there are seniors that are in the hospitals that could be in personal care homes? I am anticipating that the answer to that would be yes, and if that is the case can you give us some sort of idea of numbers of seniors that are in hospitals that could be in personal care homes?

**Mr. McCrae:** I will not give the honourable member the number of people that fall into that category today because I do not have that up-to-date information, but I will make that kind of information available. I do not think we are going to keep him waiting very long for it either.

The people the honourable member refers to would-be people paneled for personal care or paneled perhaps for chronic care spaces in their institutions, or prepaneled people, but also people who could be enjoying the benefits of home care. I think he is referring to the kind of people whom we found in hospital beds at Seven Oaks Hospital when Seven Oaks Hospital engaged in a project—people in the Seven Oaks Hospital who appropriately could be properly

cared for in their homes. A very interesting experiment, it is not a new concept because that is what we are already doing in home care except that home care at that time was not able to respond quickly enough to the demand that existed in our hospital.

Seven Oaks was only one. That was a pilot or experimental project, but it demonstrated that we can respond much quicker; we can make life much better for patients by getting them out of those beds and into their homes. If they are paneled for personal care, you have to, of course, be very careful in your assessment of those patients to make sure that you are not discharging people from our hospitals too early—a suggestion that has been made.

\* (1550)

It is always made by people who have a vested interest, mind you. It is not made usually by people who have anything but a personal financial interest in keeping our hospitals full of people. The fact is the experience of anybody I know is that hospitals are not the most favoured place to be, that home is better.

If you travel across the country and visit hospitals like I want to do more of and learn more about what happens in and outside our hospitals, you will learn that various places have different rates of patients occupying hospital beds who do not need to be in hospitals. We indeed in Manitoba have—this will really catch some people's attention—more hospital beds than we need. Some people will take issue with that, but the fact is that we have hospital beds occupied by people who should be taken care of some other way.

We have doubled the expenditure for personal care, for Home Care, sorry. We are up around \$79 million now which is a doubling of the spending on Home Care in the last seven years alone.

Even with that—[interjection] Yes, \$79 million which is the same as it was last year except that it is \$2,000 less—the member for Kildonan raised a question about slashing in Home Care today. Anyway the total appropriation for Home Care has been slashed from \$79,084,000 to \$79,082,000—slashed—drastically slashed. That is what the honourable member was

talking about before. We should avoid getting into exaggeration to make points that otherwise do not really exist. [interjection] I guess I have touched on a point here, Mr. Chairperson, that I should have stayed away from because we got the member for Kildonan kind of exercised over there. [interjection] We will get into this in a little bit. The honourable member for Kildonan wants to get into the act and so he should as Health critic. So I welcome a discussion about this a little later. It is my fault. I got it started so I should not have done that.

The point is—I think we are sort of dancing around the edges here a little bit—there has been a very, very significant increase right across this country, not just in Manitoba which leads the way, but across this country, in spending in the community to lessen, reduce the reliance on the most expensive form of health care, that being the acute care sector, the kind we get in hospitals.

Well, if the honourable member for Kildonan does not want to listen to this, I know the member for Inkster does because he is the one who asked the question.

In the Winnipeg region, as of March 31—it is not that long ago—in Winnipeg, in acute care beds, we had 222 people who could have been somewhere else, should have been somewhere else, should have been in personal care or in home care. Now what are they doing in hospital beds? They are still in hospital beds because not all of our programs can respond quickly enough to get those people discharged, and it is in our attempts to address that issue that the honourable member for Kildonan wants to criticize us.

Now, the We Care home health care company, a private company that makes profits in delivering health care services, got involved in a contractual arrangement with Seven Oaks Hospital to help do something about that. I watched the coverage when the program was reported on in the public media, and the patients were interviewed individually about this, about the care they got. They said, oh, this is wonderful. This is great. This is very, very appropriate care. We do not need to be in a hospital. All we need is to have a nurse come by and see us or make sure our intravenous is working properly or that whatever we need to have done gets done, but, oh, no.

That represents a very patient-focused approach, in other words, not what is best for the unions but what is best for the patients. Is that not whom we are really working for, or are we working for the unions? Since when did the unions become the masters in this country? I thought the taxpayers and the receivers of services are the bosses here, my bosses, and those are the people I am going to respond to as a Health minister. I am not going to go running off to my union boss friend and say, is it okay with you if we do this? Is it okay with you if we do that? I am not going to invite the union bosses to sit at the Cabinet table as the New Democrats did or to sit at the caucus table as the New Democrats did. They are not the ones who were elected to represent the people of this province, and those are not the people whom we have to be slaves to.

Anyway, the honourable member did ask that question, 222 people in Winnipeg hospitals who do not need to be there. Do you know what that means? It means there are 220 beds being occupied by somebody when somebody else should be in it if there is a need for it at all. Somebody else who needs that bed more may be waiting to get in, maybe a clogged waiting room or an emergency room or something like that, and because someone is in the bed who should not be, this other person who needs to be in that bed cannot be. That is what the honourable members of the New Democratic Party want to preserve. Well, I do not agree with that.

In our rural hospitals, we have 219 people in that kind of a situation, for a total of 441 people in Manitoba hospitals today, hospitals that cost anywhere from \$250 a day to a thousand dollars a day, in hospital beds when they should not be there. There are members in this House who think that is the way to run a health system. I am saying it is not.

The fact that they are still there says that even though we are committed to a health care system that is the best in the country, we still have some work to do. That is why you will see such a massive personal care home expansion program underway in our Capital budget. That is why the people of Hartney are going to be seeing personal care home beds coming to their community. That is why you see hundreds of them recently completed in the city of Winnipeg. That is

why you see personal care home beds being planned in various communities in Manitoba, to get people out of those hospital beds. They are not homes. They are hospitals. Personal care homes are homes. Home care is home.

We have studies for everything. There are studies that also demonstrate that people heal better at home. It may come as a surprise to the member for Kildonan (Mr. Chomiak). Do you know there are more germs in hospitals than there are at home? Well, there are. For all the wonderful people that we have keeping our hospitals clean, sick people go there, and their germs go there, too. There are more germs in hospitals than there are at home.

Home is a better place for healing, and the home environment is a more comfortable place for people to be. People really want to be independent, and that is why—we had to beg the NDP for support for this. I think we sort of got it one day, very quietly. Okay, I will support it as long as my union boss friends do not hear about it; I will support self-managed care.

I think that is another concept that we really want to build on, because the self managers that we have already in Manitoba—and there are only about 30 or so at this point, or maybe that is starting to grow now. Those people who have benefited from that program will tell you better than I can, because they live the self-managed life, and they make the decisions about their care. They call the shots. They are the bosses.

\* (1600)

The more of that we can have, the better. Those people should not have to be told when they can go to the bathroom—really. How would you like to be told when you could go to the bathroom? Some people are in a disabled condition, and so those things can only be done when somebody comes to their home to help them. If I was in that situation, I would like to say, well, I want to get so-and-so because he or she will come and help me at a time of my choosing. I am not going to be at the behest of the bureaucracy.

That is where the NDP are. Well, I am not there, and I am glad of it. I am glad to say—

### Point of Order

**Mr. Dave Chomiak (Kildonan):** On a point of order, Mr. Chairperson, the minister seems to have fallen off of that slippery path of responding in kind to questions that have been posed. I recognize the question was posed by the member for Inkster (Mr. Lamoureux), but I do not recognize any relevancy or any context, even remotely, that resembles the question as posed by the member for Inkster.

I would appreciate it if perhaps the minister would return to the course that we have developed relatively effectively in this committee of dealing with questions that are posed in order to do our duty for the citizens in Manitoba and try to work our way through these Estimates.

**Mr. Chairperson:** Order, please. The honourable member did not have a point of order. The honourable minister has 30 minutes to answer the question that has been posed to him. The honourable minister is attempting to answer that question at this time. The honourable minister, to conclude.

\* \* \*

**Mr. McCrae:** Mr. Chairperson, the honourable member may not have had a point of order, but he was probably right. I did indeed slip into an area that I get a little passionate about sometimes. I did not quite hear everything the honourable member said, and he does this too. We sometimes tend to get a little carried away with ourselves as we get into a debate, but I do feel very strongly about this issue. I realize the New Democrats did indeed come onside. I think it was hard for them. There was evidence that it was hard for them. I have discussed this with the union bosses myself.

They are watching us very closely as we move to empowerment for people. They would rather have the power rather than giving it to the people, and I say, give it to the people almost every time. So sometimes we lock horns a little bit, and it does represent one of those philosophical areas of difference between my point of view and that of the New Democrats. They tend to think that big brother government can always

do a better job for people than people can do for themselves. I have never subscribed to that theory. I think that people are smarter than governments, not the other way around.

There are people, however, who need help. They are in a vulnerable situation, and governments can help. But even in those circumstances, I think it is wrong to look at disabled or people who are in vulnerable circumstances as somehow people who we have to make decisions for. Unfortunately there are some people who fall into that category, but there are some people who are not there in that category, and we should not treat them as if they are.

I think every human being is entitled to some dignity and respect. The difference between the approach that we want to push forward and the approach that we hear from the New Democrats is reflective of that point of view. A genuine respect for human beings comes before political expediency in my view.

The honourable member for Kildonan (Mr. Chomiak) was referring to page 53 of the Supplementary Information for Legislative Review. He looked at this year's book and last year's book and failed to take note of the fact that the numbers are adjusted for internal transfers within the department itself. He did not take that into account. This is what we get, and we get it on the record all the time. It is extremely frustrating, but that is my job I guess to deal with people who would put forward information that is incorrect in order to make a point. There is not point if the facts do not back it up, and all I ever do is go around sorting out the facts that these members put on the record that are incorrect. So I thought I was supposed—

### Point of Order

**Mr. Chomiak:** On a point of order, Mr. Chairperson, I do not know what relation the minister's attempt to answer a question I posed in Question Period has to the question posed by the member for Inkster (Mr. Lamoureux). It is completely irrelevant. If the minister wants to deal with a question I posed in Question Period now which he could not in Question Period, that is fine, but perhaps he could do it when we have a

chance to discuss it between ourselves. I do not think there is any relevance whatsoever between the question posed by the member for Inkster and the minister's attempt to deal with a question that he could not answer in Question Period now.

**Mr. Chairperson:** Order, please. The honourable member does have a point of order.

The honourable minister, under Rule 64.(2) Speeches in a Committee of the Whole House must be strictly relevant to the item or clause under discussion at this time.

The honourable member for Kildonan did have a point of order. Under Rule 64.(2) Speeches in a Committee of the Whole must be strictly relevant to the item or clause under discussion.

The honourable minister, to conclude.

\* \* \*

\* (1610)

**Mr. McCrae:** Mr. Chairperson, I am very sorry that I have offended the rules of this committee. You have to admit though this happens from time to time with members in this place, and it is simply because members get themselves elected to these places and they want to bring all of the passions and compassion that they have learned during the course of their lives and during the course of election campaigns and the issues that are so important. That is just an explanation for my transgression and not an excuse so I would not like to do that again, but it may turn up again at some point and I would be regretful.

The honourable member for Inkster did indeed ask about the personal care home and chronic care waiting list, and I have given him some numbers and I hope those numbers are helpful to him. They are very useful.

Oh, I remember where I was before I got sidetracked and it got irrelevant. I was talking about the rate of the people in hospitals across the country. I do not know what the present rate in percentage terms is in our

hospitals, but the fact that we have people in those circumstances tells me that rate still could be reduced. Indeed in some places it is being reduced. Michael Decter and others have referred in their public statements and in their books and places like that, that there are some communities—the Victoria Hospital is one that Michael Decter refers to and I visited there. They have quite a low rate of people in the hospitals who are awaiting placement, and it is very interesting because Victoria has an older population too. But there are other things about Victoria that have to be said at the same time when you are talking about population health issues. There is a pretty high level of income in the Victoria community as well, which goes right back to what I said earlier about the health status of people in the various economic levels, so that has to be factored in as well.

The point is that jurisdictions right across the country are trying to address the question raised by the honourable member for Inkster because it is important to do so. It is a too-expensive way to deliver inappropriate services to people who need appropriate and less expensive services.

If we could get everybody in the right place receiving the proper services, we would have achieved what we are trying to achieve and we keep moving in that direction.

**Mr. Lamoureux:** Mr. Chairperson, as I indicated virtually at the onset to try to provide some constructive criticism, this is an area in which I have had extensive discussions, in particular with constituents, but equally Manitobans throughout the province where I was provided opportunity to do just that. Health care was obviously a major issue. One of the examples that I consistently gave in many different speeches is that you could virtually walk into any hospital and there is a senior who is in that hospital that does not require to be in that hospital.

Maybe it is because I am relatively new, this is my—as I have indicated—first time being a critic of this particular department, but I do not necessarily understand why it is. The Minister of Health went to great lengths in terms of trying to say here is how we as a government are trying to resolve it. I believe it is

almost—he has indicated in the past—virtually a hundred personal home care beds a year since they have been in office, something like 700 home care beds in total, if you will, or 514. No doubt that is a significant number of beds, but the bottom line is, using his figures, that we still have 441 patients or individuals who are in acute care situations which do not need to be in that acute care situation. I think that is tragic, and it is one of the areas in which I would not be very forgiving.

This is a government that now has been in place for seven years. They have had the opportunity to build more, to look at other opportunities or other ways in which to address this particular issue. He makes reference to it costs \$200 to \$1,000 a day to keep some of these individuals in these hospitals. That is a phenomenal amount of money that is going into the hospitals that do not necessarily need to be going there. There is a role for this government to play, and I do not believe the government has lived up to expectations that the average member of the public would have with reference to this particular issue, because you have had a significant number of years to address the problem. You might say look, this is a problem that was there prior to us being into place and we have put in hundreds of home care beds and so forth, but having said all of that, there is still a lot of health care dollars that could be better spent.

I used to be the Housing critic for the party and there are senior blocks through Manitoba Housing that are up to 30 percent empty or vacant, because there are no seniors who can go into them. You know, look at the Bluebirds, the Annex out on Keewatin for example, the question in terms of renovations of some of these facilities that are vacant that the government currently owns jointly with the federal government. Why is it that we are not necessarily seeing the possibility of renovating current housing stocks that are there? Why are we not looking at spending more on the capital expenditures or building more personal care homes in a shorter time span? It is not a question of saying spend, spend, spend, because ultimately I would argue that you are going to be saving a lot of dollars at the other end, and I believe the Minister of Health would acknowledge that, because it costs that much less to have that senior in a personal care home as opposed to a hospital.

That in itself is likely an argument that should carry through for the day in terms of why it is that we should be seeing more construction or reconstruction or more of a sincere attempt by this government to get the 441 individuals out of those acute care settings. That in itself should be. If you add what the Minister of Health and I have both said, that the No. 1 concern that we should all have is the patient and the service that we are delivering to Manitobans, then I would argue that that in itself should be the first priority and should be the motivating factor for this Minister of Health and should have been there for a number of years already.

So yes, we are pleased that the government has increased a home care budget that is now sitting at \$70 million. I would imagine that it does not necessarily take into account capital construction over the last years in putting forward those hundreds of home care beds that have been brought into being, but there is a need to facilitate this 441. We have an aging population. It is not like you are going to be building a facility or refitting or renovating a facility and then it is going to become vacant two or three years down the road.

Simple demographics will indicate to us the life expectancy that the Minister of Health (Mr. McCrae) has referred to and so forth. There are other alternatives, but I want to stick to the personal care homes, and then I am going to go on to some of those other alternatives. I would ask the minister specifically, when would he anticipate that I could actually stand up or stop giving this speech that we have seniors that are in hospitals that do not need to be in a hospital, that it is a better atmosphere for them if they are in a personal care home or if they are in their own home?

The further down you bring it, the more you bring it into the community, the better the quality of service you are delivering, and ultimately, I would argue, at less cost to the taxpayer. So everyone wins all around. It is a question in terms of motivation. When is the government, this minister in particular, going to be taking stronger action on alleviating this problem? A side question to that is—and I am going to go to it when I am the Housing critic—has the minister ever conferred or has this department ever conferred with the

Department of Housing and the surplus housing stock that is there, particularly elderly housing. \* (1620)

I know most of that housing stock would need major renovations in order for it to be liveable for individuals receiving this sort of treatment, but in many cases it sits vacant currently. So again, maybe the minister can comment on those two issues.

**Mr. McCrae:** The honourable member, I think, makes some pretty valid points. The only trouble with moving more quickly is that to do so you have to have the support of the public. The way that health reforms started, with the violent reaction by the unions and the NDP, created an atmosphere which was difficult for moving any faster than it was moving.

Because of that violent reaction, it was felt that we were going to have to be a little more evolutionary about reform than revolutionary. I think it is a great disservice that the NDP foisted on the people, but governments have to be responsive to the population, and to a large extent the New Democrats and their union boss friends were able to scare people. That of course is not what we are trying to do. Even so, we have moved very, very, I think, decisively under the circumstances.

The honourable member is right, I think we could have moved faster, but not without the public understanding the process. When you have people who are seen to be credible by so many—and I refer in this case to the NDP and their union boss friends—if you get incorrect information out there and you have people promoting incorrect information in the area of health, people will listen to that, because they do not want any threat to their health care system.

I think the government had to be sensitive to that, so we have moved in a little bit more of an evolutionary way than what the honourable member might be suggesting.

I recognize that support from the Liberal Party was there. I recognize that, I appreciate that, but the population was sufficiently cautious that I think we had to be more cautious too.

I strongly agree with the honourable member that because of those 441 people whom we are talking about here, we could have moved further and faster with the kinds of programs he is talking about, and we are talking about assisted or—I guess you would call the housing option another option, something that is not hospital care, not personal care. Some of these 441 will have sold their houses or left apartments or whatever, so they really do not have a place to go except to personal care, and if there is no bed yet then they are in a hospital.

Another proposal of the kind the honourable members refers is right. Indeed, our department is looking at those sorts of things now, and we expect to see some of that happening.

In the meantime, we will continue to make improvements to the Home Care program. We will very shortly be entering contractual relationships with private companies to help take the—to provide a backup, a backup which can be responsive in a hurry to discharge opportunities. We will hear from the New Democrats when we enter into these contracts, and I expect that will be happening very shortly.

We have been meeting on the point, and I expect that we will be seeing that. I think we will see private-sector involvement in the home IV program. We will see the one-payer system continued, mind you. The one-payer system would help to destroy the myth that will no doubt be raised that, oh, you are looking at an Americanized system, that you are going to have to pay for. That has not happened and it is not going to happen, but I am not going to check your union card, if I am a patient, before I receive services.

I do not think we should insist that people have to wait too long because somebody who does not have a union card is the only sort of second-class type of service that you can get. I do not subscribe to that. I think my fellow Manitobans, whether they happen to be members of unions or not members of unions, if they are qualified to deliver services, ought to be given that opportunity. As long as the patient receives quality care and as long as the government is paying for it in

terms of the Home Care program, then I will support that.

I appreciate if the honourable member feels any frustration over this matter. I do too, but we do not want to get so far ahead in the reform process that we have forgotten to consult some sector of the population that should have been consulted. I do not think the member is really asking for that either, but he is saying that you should have come further and faster. I am saying that because, well, there are physical constraints to how quickly you can get a building built and so on. That is an obvious one, but when you have people actually working against you and raising incorrect information to try to scare people at the time when you are trying to reform and develop a quality product, you cannot ignore that.

It may not be true and may be mischievous, but you cannot ignore it because it really and truly does scare some people, unfortunately, some vulnerable people. I would rather not proceed that way, but that is the way we have done it because anytime there is a change somebody is going to feel affected by it, and they are going to try to defend the status quo and the status quo is not going to work.

I agree with the honourable member, the status quo will not work, but those who want to fight for the preservation of an inefficient status quo are still here. They have not gone away. We will have to keep dealing with them, but we will make greater efforts to get directly to the population. We will spend more money on communicating with the population so that the population knows what we are doing and will not be misled by vested interests into believing that something else is happening.

**Mr. Lamoureux:** Mr. Chairperson, the Minister of Health would likely even be surprised with the number of individuals with whom I have actually discussed this particular issue of health care reform. Out of those discussions, whether it was through the election or between elections, you will find, at least I have found, not one individual that has disagreed with what it is that I was talking about in terms of the importance of trying to deinstitutionalize our health care services. One of the ways in which we can do that, for example, is

taking the senior out of the hospital who does not need to be in the hospital and could be quite adequately and better taken care of by being in the personal care home.

Further to that, Mr. Chairperson, the individual senior that is living in a personal care home that through enhanced services in an independent home situation, whether it is theirs, whether it is Manitoba Housing or a third party, whatever it might be, again is a better quality of living for that particular senior. We should not be overly reluctant to take firmer action. It is sad if in fact we allow individuals with vested interest, if you will, to prevent this sort of reform from taking place for the simple reason—I firmly believe that a vast majority—and to define vast majority I would say in excess of 95 percent of the people that I have talked to have indicated that that would be very positive. I have never had anyone tell me that it would not be positive. They want to see government take some sort of action, stronger action in resolving this issue.

I would not be overly concerned about how it might be spun, whether it is through the media or to overestimate the potential opposition's criticism on this, because I believe the idea is good, it is sound, it is solid and that the public will buy it. If the government has the political will to implement it, I believe that the government will in fact be rewarded for doing just that. It is the type of issue which I feel, as I have indicated, quite strongly about.

The next question that I would ask the minister, because in many cases it is not just a question of construction of new facilities, does he believe that in fact there are seniors who are in personal care home situations, that if we did provide alternative forms of care in homes or in that third-party, independent-living scenarios, that that would in itself free up space in some of the current personal care homes? If so, what would he speculate or guesstimate if you will if he does not have an actual number we would be talking about?

**Mr. McCrae:** Mr. Chairperson, I am listening to the honourable member's advice on the first point. I would not allow paralysis to set in because I am frightened by the New Democrats or their union buddies or something like that. No, I would not do that. As the honourable member can see, we have a capital program

that is still fairly significant and you do see new programs coming along.

\* (1630)

I am out on the road quite often making announcements on this and that of new directions that we are going in. So we are not paralyzed by the opposition nor by their buddies. Clearly, when I see that people are genuinely frightened by the New Democrats and their union friends with all their commercials that they buy, hundreds of thousands of dollars being spent to tell people things that are not true—I saw it have this effect on real people in my province of Manitoba. It did give me reason to pause and to be concerned, but no, I will not be overly concerned.

We have never said, nor do we say today, that the plans set out in the action plan for quality health for Manitobans, we have never said we have moved from that one inch. Nobody has ever said they did not like that as a blueprint, so that is why it is still our blueprint. We are still moving in that same direction. So I just say that we certainly have not stopped, but if we did slow down a year or so ago there was good reason for it, because I could look in the eyes of people, senior citizens, and see what the NDP had done to them. I was quite moved by that and felt that it was appropriate to say, let us just slow down a bit but let us not stop it, by all means, no.

I will take the honourable member's advice. The suggestion that people already placed in personal care homes might qualify to be placed in some other circumstances, I am going to seek some further advice about that. I know that some of the more recent placements, probably not is the answer I would think because the assessment is very, very carefully done. There are only so many beds, even though we have built hundreds more, but there are only so many of them and maybe the assessment was not always the same.

The levels of care are much higher today than they used to be. One moment, Mr. Chairperson.

**Mr. McCrae:** The representatives from the department remind me that it would be interesting to

put on the record that there is a 25 percent turnover in the personal care sector. Ultimately that reflects the fact that people do pass away as well.

I think the question might have resulted in something more substantive a number of years ago. When I think that levels of care in personal care homes were—there was always a variety, but there were a lot more people who were receiving a lower level of care. The era of the hostel, for example, was an era where levels of care were lower than they are today.

Nowadays, to get into a personal care home you have to require a pretty significant level of service to even be admitted in the first place, because we can look after Level 2 people at home now, whereas in the olden days—here we are at my age talking about olden days—

**An Honourable Member:** Well, you are not that old, Mr. Minister.

**Mr. McCrae:** I know that, but there are moments, you know.

There was a time, not so many years ago, when there were lots of Level 2 people in personal care and that is much more rare today. So what I am saying is I do not think there is that much opportunity for what the honourable is suggesting.

There was a time, I am told, that people were admitted to personal care simply because they had a problem with their feet. Foot care was a reason for getting admitted to personal care. You get into personal care, you get your feet more or less fixed, and you were still there, you did not move out afterwards. Those are the kind of people that the honourable member might be talking about, but there are not very many people like that in the '90s in personal care because we have home care and other services to address their needs, so that obviates the need for a placement in personal care.

**Mr. Chomiak:** Mr. Chairperson, I wonder if it might not be appropriate to take a five-minute break to allow staff—particular because the minister seems to, in his responses to the member for Inkster (Mr. Lamoureux), be going down that path where he seems to find

conspiracy theories and a refusal to accept any kind of responsibility for some of their inappropriate actions at the time. Perhaps the minister could pause and reflect on the fact that—I think it does not read very well in Hansard that the minister seems to blame everything under the sun on the opposition, and I would suggest that he perhaps [interjection] and their union buddies, as the minister indicated from his seat, but perhaps the minister ought to reconsider and just ask questions appropriately. It might be an appropriate time for a break.

**Mr. McCrae:** Mr. Chairperson, I do believe the honourable member, as so often happens, has come up with an excellent idea once again.

**Mr. Chairperson:** The committee will take a five-minute recess.

*The committee recessed at 4.37 p.m.*

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**After Recess**

*The committee resumed at 4:49 p.m.*

**Mr. Chairperson:** I call the committee to order.

**Mr. Lamoureux:** Mr. Chairperson, when I think in terms of health care services to seniors I made mention of the whole concept of deinstitutionalization, and I think the best system, the best way in which one could actually take care of seniors would be to provide a mechanism that allows them to live in their homes. That is by far the preferred way to go.

Another mechanism, which would probably be my second choice if you will—and I am just going to kind of give a listing of choices—would be to provide some sort of incentive, whether it is a tax incentive or otherwise, for children of a senior or family members, the extended family, to get them to take care of mom and dad or whoever that individual senior might be.

I think that there is a role, for example, for board and room facilities. Again, like the two I mentioned previously, there is a certain amount of home care

services that would have to be delivered, but ultimately all of those would be a better surrounding, atmosphere potentially, if that is in fact what the patient, if you like, or the senior was feeling was most appropriate, was wanting to live under, under those circumstances. That then would be followed, let us say, by a personal care home and then into the hospital.

\* (1650)

So I am glad to hear that the Minister of Health is at least receptive to taking action with respect to hospitals, to personal care homes. I do believe—and I understand what the minister is saying—over the years there has been a significant change in acceptance to personal care homes. He makes reference to foot care at one point in time that might have been grounds to get into a personal care home.

I do believe that if there are enhanced services and we look for other ways in which to facilitate, again if the patient, the senior is prepared and willing and wanting, that we should be venturing into the idea of how many are there—or maybe there are none, and the minister is taking it upon himself to look into that.

I recall a phone call that I received about a year, year and a half ago. It was a senior that was saying that she is somewhat scared that she is going to have to move out of her house now into a personal care home. She did not want to. We were able to facilitate her, through her sister, to be able to remain in the house for a greater period of time. She was so happy and so forth that this is a wonderful type thing. I personally believe, the impression I have is that there are some seniors that are in personal care homes and that in itself might free up some of the spaces from within hospitals, potentially.

The whole way in which we provide services to seniors outside of our institutions is something which we should probably be talking a bit about. That would lead to my next question. That is, what does this government feel the general direction of the Department of Health is going to be towards home care services? Are we going to see a constant increase, for example, in budget allotments out to home care services? What role does he believe the partners in health—he often makes reference to the unions.

I might share a number of the concerns that he has with respect to the unions and the alliance, not necessarily the union as opposed to maybe a few select individuals within a union might have, because the union, as a whole, I believe is very well received from the public. But you have to work with the partners at trying to come up with solutions that are really going to resolve the problems that are out there.

If the minister operates on a confrontation-type basis—and I do not believe that is the intentions of this minister. If in fact that is the case, we do need to have them significantly sitting down around us participating in how are we going to deliver the services to our seniors at the lower end and at that cost end, if you like, in the best living scenario, so it is a better quality of service that we are delivering, because without their participation it is going to be a lot harder.

I believe that a person, for example, becomes a nurse because they want to help people first and foremost and provide a quality service. I really do believe that. I would expect that the minister too would also believe that.

So tapping into that resource I think would be very beneficial and maybe having somewhat of a discussion on—like he makes reference to We Care. I know there was another program that the government was—a pilot project I understand. It went something to the effect of it provided the senior to hire someone to assist them in their homes directly, so they would in fact become the employer and they would be able to hire someone—

**Mr. McCrae:** Self-managed care.

**Mr. Lamoureux:** Self-managed care is the terminology I am looking for.

I think, again, this is a pilot project I believe that the government entered into for the last couple of years. One of my constituents I had talked to, I had told her about this. She then had made application, because there was a waiting list, in order to get into that particular program. But, again, I think it is a positive thing but it is the type of thing in which I believe we should be talking about and seeing where there is some consensus and start building upon that.

**Mr. McCrae:** Mr. Chairperson, I appreciate all of the comments the honourable member has made because I feel that all of them are intended to be of assistance and constructive.

I think we have to recognize that while society is indeed changing in so many ways, it is becoming increasingly difficult for some families to provide as much care as they once did because of the change of the demographics of the workplace and so on. We have family members now, both husband and wife in 60 percent or something of the case, out in the workforce now. That has made it more difficult than in former days when extended families really played a greater role than they do today. Yet today, too, there are still lots of families that are engaged in looking after each other as family members approach old age, and we certainly encourage that.

I think that our health people who are working in the field in Manitoba in many, many cases are actively involved in care plans that include family members. The honourable member's suggestions about providing tax incentives and being involved in actually putting up the financing for board-and-room arrangements, those are things that we can take into account and consider as we do our health care planning.

The honourable member asked about the general direction of home care, and I think that is a very relevant question because as we enter the last few years of this century we see very, very significant growth in that type of programming. It should come as no surprise that with that kind of growth there will be accompanying growing pains, and I think we have seen some of that where it existed. We have tried to address it through the work of the Home Care Advisory Panel and the Home Care Appeal group that appeals decisions of residents against decisions of the Department of Health in regard to home care decisions.

\* (1700)

This has allowed clients, I think, to feel that they have some independent arbiter or independent place to which they can go to seek an adjudication of a difference between the client and the Home Care department. It is not that the Home Care department is

not doing a good job because as a matter of fact the number of appeals has been relatively small. However, the number of adjudications in favour of the client of that small number has been significant, which means the appeal panel is doing its job, and in the process hundreds of matters are resolved before they ever come formally to the Home Care Appeal Panel.

That is exactly what it is supposed to do, and I think what it is doing is also allowing us to gather trends, look at the trends in the Home Care program. In what areas are we consistently running into problems with, and in what areas can we make improvements or change to be more responsive to the client?

We are beginning to see more of a shift in our thinking, I suggest, to a client-based approach. If you are running a business and you want your business to be profitable or to be successful, you want to know exactly what it is your customer or your client wants or needs. If you are in a competitive business and you decide that, well, I do not agree with my client, my customer, you know who is going to get the business, somebody else. The old saw that the customer is always right should have application in the Home Care program too, and more and more we are seeing that it does. I think that is the direction we should be going in.

I do not think we are finished our work, mind you, and I am not finished answering the question about the general direction of home care. We are going to see more and more use made of information systems to help us with our co-ordination function. I bet the honourable member has heard of cases where perhaps we could deliver services more effectively, more efficiently, if we co-ordinated our workforce in the Home Care program better. That is an area where I think information automation could help us.

I agree with the honourable member that we have to work with our partners. I hope that some of my repeated references to the unions will not be misconstrued. Unions are unions. They are there to protect employees, and they have a legitimate and important role to play. Unions however, I have found, tend to concentrate on their main function which is to protect employees. Their employees have expertise

which we should tap, but the union leadership itself is involved with protecting employees. Their main role in the public sector is not necessarily always the best and most efficient delivery of service to the end user. That is because they are not facing the competitive pressures that unions in the private sector face.

You will find that unions working in the private sector are more likely to respond to market pressures than unions in the public sector. It was not unions in the private sector that got so upset with Bob Rae, it was unions in the public sector. If you want to check out that situation you will see if he lost support from the union movement it was largely from the public sector union area where they have not yet understood that even governments have to be competitive.

My reference to the unions is more a reference to the New Democrats and a criticism of the New Democrats in tying their own future to the future of public-sector unions. That is not a very good thing to do if you are trying to represent all of the people. To choose a few people sitting in ivory towers and say those are the people we are going to represent when we are government is not a successful formula for electoral victory in my view. The results I believe of the recent election bear me out on that point, because the unions did play such a large role in the recent election campaign.

Confrontation is not something I want; it is not something that I encourage. I have, I feel, extended myself personally as a minister to the union leadership. I have made myself available, I have asked for meetings, I have responded to meetings, I have been to meetings, I have had discussions, all of the things a person should do to try to promote a positive working relationship, but it has not worked as well as I would like. I see all kinds of areas where in labour adjustment for example we have good co-operation from the union movement. That is something I was very pleased to be able to bring about in the health care sector was labour adjustment.

Part of the reason we had problems a year or so ago or more was that I think we were working in the absence of a labour adjustment strategy in the health care sector. We had it in the government sector, and

we have been able to reduce the size of the civil service here in Manitoba significantly without the kind of pain you might see in other jurisdictions where they might not have labour adjustment. Well, that was missing in the health sector, because restructuring does indeed call for reduction in labour, and the only way you can bring that out I suggest successfully is with a labour adjustment strategy.

We worked closely with the unions on that, and we have brought about some pretty good results. We have experienced relatively few layoffs in the last year, year and a half, yet we have been able to move forward with some important reforms. There are more reforms ahead, so we are going to need to continue to operate with that particular approach, labour adjustment strategies which include things like early retirement opportunities, things like voluntary separation, things like redirection of people into other employment and the training that goes along with that. These are not easy times, because even in those circumstances it is difficult.

I think there is an appreciation of labour adjustment, because I see when voluntary separation packages are made available there is an intake, there are people coming forward and taking advantage of it for the hope of preserving opportunities for others to remain employed in the health sector. We want to see that happen.

I do not wish for a confrontation with the union leadership, but I think that—I see the Leader of the Opposition (Mr. Doer) is here to hear our words today. I think that if on reviewing his own involvement in public life in the last few years his—I think he and I were elected the first time on the same day in 1986—[interjection] the class of '86.

He may disagree with this, but while you can have alliances, they can be helpful and they can also work against you. I think a review of that relationship between the union movement and the New Democrats may not have worked out as everyone on that side had hoped over the last few years, although we all need friends. We all know that. We all need friends, but we are also here to represent all of the people. There is something to be said about that. [interjection]

\* (1710)

**Mr. Chairperson:** Order, please. Could I ask the honourable members to be relevant to the debate that is before the committee at this time?

**Mr. McCrae:** Mr. Chairperson, I am the only one who has the floor so I guess that direction is directed at me. The honourable member for Inkster—I had made notes when he was talking—spoke about confrontation and working with our partners in the unions and I was sort of discussing that. I certainly accept the honourable Chairperson's direction.

So it is true that in a time of change, confrontation if you can avoid it, you should. Absolutely, you should not deliberately enter into circumstances that would lead to confrontation. Change is difficult enough without unnecessary pressures, but also it is not good to have a slavish sort of adherence to principles that belong only to an elite few at the expense of the whole population. That is inappropriate, in my view, and that is the undoing of the New Democratic Party and will be the ultimate undoing of the New Democratic Party.

We should be watching what happens in Ontario in the next day or two just to see how well the NDP do. If they come out on top in Ontario, we will know that their organic fusion with the union movement has paid off for them. We will see how it goes. I certainly should not engage in any speculation because every time I have ever done it, I have been wrong in one way or another.

**Mr. Gary Doer (Leader of the Opposition):** We will have more members in Ontario than you will have in Saskatchewan.

**Mr. McCrae:** The honourable Leader of the Opposition makes a prediction that there will be more New Democrats in Ontario than Tories in Saskatchewan. Who am I to quarrel with that?

I have not gone through all the detailed analysis of the polling that goes on in those jurisdictions. All I know in this regard is what I read in the papers, and the papers indicate that the New Democrats in Ontario may be facing a challenge here—let us just put it that

way—and we will see how they come out of it. In Saskatchewan, on the other hand—do not forget I had the pleasure and the honour of working with the top politicians from both of those jurisdictions and personally have taken a lot of pleasure from that relationship. Very often we found ourselves on the same side on the issues—

**Mr. Doer:** Charlottetown.

**Mr. McCrae:** There you go. The honourable member for Concordia refers to the Charlottetown Accord.

It was a unique experience in my life. It did not all turn out the way I particularly had hoped, but I can tell you to have been part of that process and to be able to tell my grandchildren about it is something that I hold very dear and special to have been able to work with people like Bob Rae and someone who turned out to be a personal friend, Bob Mitchell from Saskatchewan, a very fine fellow indeed. I continue to keep—well, not as frequent as I would like—contact with that particular individual. In a thing like that, as the honourable member for Concordia recognizes, a lot of partisanship went out the window in that whole affair. For better or worse it was all in all as a human and personal experience something very special to me.

Having known both those leaders and their associates in both those provinces, of course, I am going to be interested to see how things work in the province of Saskatchewan too, where circumstances may indeed be somewhat different than they are in Ontario. I just ask, rhetorically—this does not require an answer—but I just ask, what is the difference between the approach adopted in Saskatchewan and the approach in Ontario?

May I speculate and use the word "consistency" on the one part and "inconsistency" on the other. There was, in my view, a misreading of the situation in Ontario when the Rae government took office there. It was felt at that time that the traditional NDP approach should be used to get themselves out of the dangers that they were facing.

In Saskatchewan, the traditional NDP Saskatchewan approach was used, that approach of the Allen Blakeney-Tommy Douglas days.

I was reminded by the honourable member for Crescentwood (Mr. Sale) that Mr. Douglas, when he was Premier, ran successive surpluses. Well, so did every other leader in those days, but it is significant that that was the tone set by Mr. Douglas and smart people like Mr. Blakeney and perhaps Mr. Romanow followed that example on a consistent basis.

It was only in subsequent years that the Ontario government changed its approach to fit with what was really happening in the world, and their initial approach was what really spoiled it for them for the duration of their term. We will see tomorrow how badly, or if, it spoiled it.

I see a very different approach in those two provinces. [interjection] Where? Oh, that will be fine with me. Which one? Bob Mitchell or Bob Rae? [interjection] Well, the honourable Leader of the Opposition (Mr. Doer) just mentions again that my relationship with Bob Rae—I do not mean to imply that we were a paragon of total agreement on every issue. It is not like that. It was not like that, but there was a respect there that I believe developed between the two of us, and I feel privileged to have known the Premier of Ontario on such a basis.

All of which brings us back to the issue raised by the honourable member for Inkster (Mr. Lamoureux) about the issue of confrontation. Here we are into a new mandate. We are engaged in collective negotiations with unions and attempting to iron out issues so that we can go forward for another period of time and work in relative peace and harmony in putting the patient first.

If all of our partners are prepared to do that, we will indeed have a nonconfrontational style of health care delivery in Manitoba, and indeed it will benefit patients in our system and clients as well.

The honourable member referred also briefly to the self-managed care option, one which I am very pleased to see expanding in Manitoba. This is something that came in under my predecessor initially. There are those who do not want to say anything nice about my predecessor, and then there are those who want to recognize what is good. I know the honourable member for Inkster (Mr. Lamoureux) made some

positive comments the other day, which I appreciate, because when you talk about mental health reform, there was good leadership from the minister in that area and very good leadership also from the department in the area of mental health reform.

Mental health care consumers today are benefitting from the approaches adopted, and while nothing is perfect in this world, we are a bit of a model here in Manitoba for other jurisdictions in the area of mental health care. I am proud of that, and I think Don Orchard should be proud of that too for the efforts that he made in that regard.

Another thing that the previous minister has been credited with is the creation of the Manitoba Centre for Health Policy and Evaluation. Certainly Dr. Gulzar Cheema, whom we wish well in his endeavours in British Columbia, spoke in glowing terms about the Manitoba Centre, as has the honourable member for Kildonan (Mr. Chomiak). Those comments made by those honourable members are some of the few that we get, unfortunately, because of the nature of our work, but they are appreciated.

Dr. Cheema's contribution was not one of confrontation. His was one of constructive advice and constructive criticism from time to time, but it was with a view to a genuine, altruistic caring for his fellow citizens, which I could not help but appreciate each time that I listened to the former member for The Maples who is now living in British Columbia.

\* (1720)

The expansion of the self-managed care option is something I support and want to see as much of that expansion happen just as quickly as is reasonably possible, given that assessments are things that probably take longer in this area because there is so much involvement on the part of the client. There is a need for the client in these cases to engage in some training, so that the client him- or herself is better empowered to make decisions about his or her care.

Not everybody qualifies for that. I do not want to create expectations that we cannot deliver on, because you have to be a client of the Home Care program in

the first place. That is one of the things that we ask for. Not everybody wants it, and that is an option that people should be able to exercise. Not everybody, frankly, can handle it after an appropriate assessment. In some cases it might not be found that people can qualify for that program, but those who can, it will be my wish to get them on to that approach just as soon as we can make it happen.

As I say, those who have been involved in it have been extremely positive about it. I always remember what one client said, that at least in this system we are entitled to make our own mistakes, which means that even that program is not going to be perfect, but the clients are going to be taking some responsibility for their own care in terms of the decision making. I guess if they do not make always good decisions, they are going to have to live with some of those consequences and make adjustments, but I think the program allows for that.

I think I have basically covered the honourable member's questions except that I hope he was not saying that we should not continue to expand the Home Care program, because simply in dollar terms, if you look at the spectrum of services available, all the way from tertiary \$1,000-a-day hospital spaces to home care which can be accomplished on average with about \$20 a day—is that the right number nowadays or is it up a little bit, home care average? It would not be very much more than \$20 a day on average which means that some people get very little home care, some people get a lot. You have to have that situation to make an average, but the average is a very, very economically more feasible approach than the expensive tertiary or community or hospital bed situation.

As long as appropriate assessments are made of patients and appropriate services are being delivered to those patients, Home Care is a very good program to see expand. I do not know what alternatives there are that are better. I know the honourable member talked about the other proposals, about tax incentives and care provision by members of the family and I have responded to that part, but I do see the Home Care program continuing to grow because it is an effective, a more comfortable type of approach for many, many people. The honourable member has acknowledged

that home is where people want to be, and where that is feasible, we agree with that.

I do not see anything but more of it, especially as our population age continues to rise. I mean, there is good news in that and challenges that go with an aging population as well.

I also see our enriching and enhancing people's lives at home and in their communities through the continual growth of our Support Services to Seniors programs, which have grown extremely significantly. The thanks for that goes not only to our co-ordinator, people in the department and the people whom the various support groups have hired to provide co-ordination services, thanks goes to communities and volunteers, all of whom form part of this support network.

For us to think that we can get through the next few generations without using volunteer supports in communities is dreaming in technicolour. Indeed, we are very fortunate in Manitoba because of our volunteer sector, the size of it and the number of people prepared to be part of helping out others in their communities. The honourable member may know some of these people; I certainly do. They are extremely unselfish people, and I guess they have accepted the principle that if the quality of life of their neighbours is enhanced, so is their own. I subscribe to that theory myself. [interjection] I just touch on Support Services to Seniors. There may be questions about that, to which I will be happy to respond.

The honourable member for Inkster (Mr. Lamoureux) was—this comment is directed toward the member for Lakeside (Mr. Enns) who feels that perhaps—I do not think he is complaining about the completeness of my answer—[interjection]

**Mr. Chairperson:** Order, please. The honourable minister's time has expired on that question.

**Mr. Lamoureux:** Mr. Chairperson, to answer somewhat the question that the Minister of Health posed. The member for Lakeside and I go way back a few years now, and bordering each other's ridings, he is concerned, of course, that the questions that I put forward are in fact being answered. I would give you

advance warning that if in fact he did feel you were not answering my questions, I am sure he would be taking you to the side to indicate to you it would be most advisable to answer the member for Inkster's questions.

Mr. Chairperson, I would be very disappointed, quite disappointed, and probably use the word "hypocrisy," if I saw decreases in the line of Home Care services. I think Home Care services is an area that has to grow. The reason why it has to grow is that we do have an aging society. The demographics has been pointed out; life expectancy is increasing. We need to rise to the challenge of future health care requirements. The only way we can do that is by looking at areas of government expenditure and acting accordingly. When I say "acting accordingly," this is one of the lines in which I would anticipate that there would be ongoing increases actually, because what we are really talking about doing is increasing services at this end in order to prevent costs at the other end, while at the same time delivering better-quality services to those individuals.

I would actually combine a couple of things together here, so maybe the minister can comment on both. For the individual senior, whether it is the senior that is unable to feed themselves the three meals a day or to be able to bathe themselves, to the senior that has difficulty in terms of shovelling the snow out of the walkway—there is quite a bit of discrepancy between the senior that wants to remain in their house and the abilities or their capabilities that they have in order to allow them to remain in the house. I would be interested in the department providing me, not a lengthy document—I do not have that much time to do extensive reading. I am sure they could pile hundreds of pages of paper. What I am looking for is something in brief in terms of, here are the different potential scenarios for seniors and what it is that would be made available for them so that maybe not in these Estimates but next year's Health Estimates I will be briefed enough in which I can start commenting more in detail on those types of services and look in terms of where it is that we can expand.

\* (1730)

I would bring up another aspect by talking in terms about—I made reference to the different levels of

services. I made reference to, in particular, board and room, for example. Is there a future for board and room? I have constituents that do provide board-and-room services. Does the Department of Health or staff within the Department of Health look into the possibility of other levels?

The minister, on several occasions, made reference to the tax incentive that I made reference to. There are other things that are out there. One of those things would be the board-and-room scenarios that a private citizen might want to venture into. I think that is again the type of discussion that is necessary. I am always sensitive to the minister when he makes reference to the privatization of health care. He did allude to it to a certain degree in earlier comments.

Mr. Chairperson, I am not fearful of trying to work in co-operation with different sectors to see how we can deliver a publicly financed health care system that is more comprehensive by incorporating in some areas individuals that are prepared to offer that service. In other words, yes, the private sector does have a limited role as long as there are regulations that are strictly enforced and detailed to ensure that the patient or the senior service for example is being properly administered, but I think that too has to be taken into consideration.

Over the years I have often articulated that if there was one issue we could deal with in an apolitical way it would be nice if that issue would be health care. For me the best thing that could happen in the next provincial election is that people at the doors do not want to talk about health care because they have peace of mind knowing that the health care is in fact going to be there into the future. Anything that I can do to facilitate that I would be prepared to consider.

We have heard from the Leader of the New Democratic Party (Mr. Doer) in the past for example that maybe what we need to do is to get all the stakeholders together to talk about this economic summit, if you will, to try to get the economy going. Likewise, I would ultimately argue when it comes to health care, I would be prepared to, whether it is in an informal or formal way, sit down with other members of different political parties and start to talk more when

you do not necessarily have the mike. It is not to say that it has to be in camera, but the Minister of Health knows the difference of being able to sit down in an informal way. If you want to formalize it and have minutes, then you could do that too, but it would be to try to get some sort of a better idea in terms of how it is that we can approach health care change and which areas we can actually expedite through consensus. In many different areas of health care reform or change no doubt you would have the support of all political parties and all the different interest groups that are out there.

If there are things that can be done to facilitate that, I would indicate to the minister that I am personally quite prepared to be able to participate in something of that nature only because I believe that there are so many things that can be done in health care, that there are dollars that are there, and by working with those dollars I sincerely believe that we can improve the quality of health care services that are being delivered to our citizens.

I am concerned because the last time the Minister of Health stood up he took the full 30 minutes, so I am not too sure if I am going to be able to get the next opportunity to ask another question. If in fact we do, what I would like to be able to do is to move onto another area of discussion that I have had over the past in which I believe government would be able to not only be able to save a great deal of money but also provide once again a better quality of service.

(Mr. Edward Helwer, Acting Chairperson, in the Chair)

So that the minister is aware in terms of what it is that I am referring to, I am going to be talking about the provincial labs following this line of questioning.

**Mr. McCrae:** I can only conclude that the honourable member for Inkster has spent a good deal of time, Mr. Chairperson, working with the honourable Minister of Agriculture, the member for Lakeside (Mr. Enns), whose skills in bringing people together are legendary in this province. What the honourable member for Inkster is suggesting is a willingness to sit down to work together as political parties in attempting to put

together that jigsaw puzzle of health care in Canada and in Manitoba, and I can only say I genuinely appreciate his comments.

I want to hear the same comments from the other party in this House. I will extend myself at every opportunity with the honourable member for Inkster and ask other members in my party and government to work as closely with the member of Inkster as he is willing to work. That is the most encouraging approach for a minister of Health anywhere in this country, that there are people who are actually willing to put aside the partisanship and to work together towards what is best for our fellow citizens. Thank you, I say to the honourable member for that.

I keep waiting for it from other quarters. I may wait for some time yet, but I appreciate what the honourable member said, and, as I say, he is wise if he is watching for an example to emulate and watching the Minister of Agriculture (Mr. Enns), because as the dean of this Legislature I think we can all learn something from the honourable minister.

I certainly have, in my relatively few years in this place, to have been privileged to sit in the caucus room and in the cabinet room and in this Chamber with the Minister of Agriculture, and I have, by watching him, avoided a number of pitfalls for myself, which is something I used to tell my kids: Watch what is happening to your older sisters and hope it does not happen to you too when it does. And the younger ones, indeed, some of them did that, and those parliamentarians with a little less experience—and I do not mean that the member for Inkster is not experienced, because he has developed a significant experience in his years here, given the responsibilities he has been given. Still, never a bad idea to keep an eye on the Minister of Agriculture and learn a few things.

The honourable member talked about a number of items again, but he referred to issues like meals, and meals are an important part of wellness and an important part of preventive health promotion and disease prevention and all of those things that we talk about when we talk about reforming our way of thinking. I know a lot of senior citizens, and some of

them, I am sorry to say, if left totally on their own, will tend to neglect some of their own dietary needs. You know, we are all guilty of that sometimes when left on our own and maybe do not go to quite as much trouble as we would if we were cooking for a partner or cooking for a family or something like that. So that is why we have voluntary programs, that is why we have government-assisted programs.

We are grateful for everybody involved in the Meals on Wheels programs in the province. Our Congregate Meals Programs are something that I am delighted to assist in the way that we do as a department. The federal government at one time—I do not know if they are still involved, but they were involved as well.

I know in one case the federal people contributed to the cost of equipment to prepare meals, and our department are involved in providing funding for someone to cook the meals. The volunteers who eat the meals as well are also involved in the food preparation and clean up and all of that.

I have been invited to seniors residences and got to dine with seniors under these meals programs. In one case they bought my meal for me. I did not even have to pay, and that was kind of nice I thought. It was a nutritious meal, and in this particular case they do it three times a week, so if they do not get a whole lot else—and I am not talking about elderly people who are not able to look after themselves. I am talking about people who might be in the same position as me and the honourable member for Inkster (Mr. Lamoureux) if we did not feel like doing much more than opening a can of beans or something. At least these people who sign up for this program are guaranteed three solid square meals a week and at very reasonable cost in this particular case.

\* (1740)

Meals programs are a social occasion, too. It is fun to go and listen to the jokes that are told and the passing of the time of day and just genuine caring that goes on between fellow human beings. It is nice to see that happen. It is not only nice to see it happen, it is good for people. It is good to be interested in the welfare of somebody else. It is good for you to be like

that, and that is what I witnessed at the Congregate Meals Programs.

Things like bathing, of course, are functions of our home care arrangements and things like snow removal and cutting grass and what all else. I do not know all of the things that are involved in Support Services for Seniors. A few years ago it was argued, and correctly so, there was a bit of an imbalance, because in some regions more services were available through the Support Services for Seniors program than there were in other areas, and they were not made available under the Home Care program. That created some imbalances and some problems which led to significant political debate about the matter of cleaning and laundry services.

Well, it is part of Support Services for Seniors programs that a number of these services are provided. Support groups are usually sponsored by some community board made up of volunteers again. My mom is involved or has been involved in one of those programs, and it is an enriching kind of experience to be involved with other people whose main goal is just to make life more pleasant for everybody.

It is a wonderful concept, it does not cost very much compared with other things we pay for or subsidize in government, and there is a direct link between those kinds of programs and the postponement of the kind of disability that sometimes accompanies old age.

You can really preserve the quality of our communities and the quality of life in our communities if as a government, even in a small way, you can help, and we are. Our Support Services for Seniors program is growing. There are more and more groups getting involved in it, setting up more and more projects, more and more of these meals programs, and volunteer programs.

In some cases there, is a small fee to be paid for certain services. Let us not forget that people can still afford to look after a lot of things for themselves, at least financially speaking, which raises the issue the honourable member raised about board and room. There are people who may have family members boarding in with them, well, the question could be

construed, perhaps incorrectly, to say that the government should pick up all these bills when people can pick up their own bills. I think people want to pick up their own bills, they do not want to be relying on government for everything, although there is, I sense, an expectation for the higher levels, the acute levels of health care services that people expect the insurance services to pick up. We want to preserve as much of that as we can as a government within our ability to do so.

Just before I sit down, Mr. Chairperson, I would like to try to catch up on some of my undertakings and get them cleared away.

The honourable member for Thompson (Mr. Ashton) yesterday was asking about the Krever report. Maybe that was the day before yesterday. He was asking about an update on federal-provincial discussions regarding the safety of the blood supply and made a reference to hepatitis C, and he also made a reference to the Krever interim report.

Chief Justice Krever has released a preliminary report and recommendations. A working committee chaired by a representative of our department by the name of Ulrich Wendt has been established to review the recommendations, consider the implications and determine future courses of action. Since Chief Justice Krever's recommendations impact on various components of the health system, the working committee has been structured accordingly. The interim report by Chief Justice Krever included recommendations specific to hepatitis C. Manitoba Health has reviewed the issue at the Manitoba Advisory Committee on Infectious Diseases and a working group will be established to plan Manitoba's course of action—another committee, I guess.

This will include making hepatitis C reportable by laboratories and physicians as well as the potential for a public awareness initiative.

The honourable member for Radisson (Ms. Cerilli) asked a question about government policy in relation to access to residents of personal care homes, access by mail, or access by perhaps salespersons or whomever. Very simply, personal care homes have their own

policies regarding access to residents by persons or groups from outside the facility.

A reminder for the honourable member for Radisson (Ms. Cerilli), that every personal care home board with which I have met is there simply and very strictly to ensure that there is a quality in the lives of the residents of personal care homes. This kind of concern, if there is a concern raised about this sort of thing, I would think that the boards and the staffs of these personal care homes would be the first to want to address them.

We as a department certainly encourage that the privacy of residents of personal care homes not be inappropriately or unduly infringed upon or breached and that they be allowed to live in dignity.

(Mr. Chairperson in the Chair)

The honourable member for Radisson also asked about a constituent who is receiving outpatient intravenous therapy at Health Sciences Centre, and the honourable member is asking why this constituent cannot receive therapy at the Concordia Hospital.

Concordia Hospital has introduced an interim program whereby outpatients receive IV therapy in the emergency department, which is not recognized as the most appropriate way of providing this service. Staff of Manitoba Health are presently developing plans to expand the present intravenous therapy program which provides service on an outpatient basis at home to accommodate increasing demand, which is considered a more appropriate manner for a delivery of service.

There is the occasional occurrence whereby a special procedure for inserting an intravenous can only be carried out in a tertiary hospital. Therefore, a patient attending a community hospital for a special intravenous insertion may have to be referred to the Health Sciences Centre.

If the honourable member were of the mind to give us the name of the constituent and any details she would like to accompany with that, staff of Manitoba Health would be pleased to investigate the full particulars of the case and report specifically.

The honourable member for Radisson (Ms. Cerilli) also asked me about a public environmental assessment system in relation to an issue that arose in, I believe, the west Transcona area. Most new developments require a licence under The Environment Act, and I see the honourable Minister of Environment (Mr. Cummings), as usual, is taking a keen interest in these matters. These licences are required under The Environment Act prior to construction and operation.

Almost like the Minister of Environment has ESP or something like that because you talk about the environment and he is there. It just works that way with that particular minister.

When an application is received by the Environment department, it is reviewed by a technical advisory committee and a decision is made as to whether or not an environmental impact assessment is required. If yes, a set of guidelines is developed by the technical advisory committee and given to the proponent to follow when preparing the environmental assessment. Preparation of the assessment is the responsibility of the proponent and must be completed to the satisfaction of the department and the technical advisory committee.

If there is a concern regarding the environmental impact of an existing operation, these concerns should be brought to the attention of Manitoba Environment officials. The concerns would be reviewed jointly by Manitoba Environment and Manitoba Health, and a decision would be reached on whether or not an assessment was warranted. Details of and responsibility for such an assessment would be developed based on the site-specific situation.

\* (1750)

With respect to environmental health concerns, all regions throughout the province have access to a medical officer of health. These medical officers of health are responsible for investigating public health threats including environmental health concerns, and there have been so few of those concerns since the Minister of Environment (Mr. Cummings) has been appointed. As well, when there are health issues which overlap one region, there is a position, an

environmental health officer, who will follow up these concerns.

The honourable member for Thompson (Mr. Ashton) was asking—he asked a lot of questions actually. I have taken notice of some, and here is some information for him. He also raises questions in Question Period from time to time with regard to health issues. In this case, he raised a concern about alleged layoffs in northern Manitoba related to implementation of the staffing guidelines. He wanted to know about the status of the implementation plans for the staffing guidelines in the facilities of Thompson, Flin Flon and The Pas. All three facilities have submitted proposed implementation plans for their staffing guidelines. These plans have been reviewed, and further work is being completed by the facilities.

The administration at Thompson General Hospital feel they are going to be able to implement the staffing guideline over a two-year period without layoffs. This seems to be contrary to what I am hearing from the honourable member for Thompson who would have us believe there are massive layoffs going on. Because of the way we are doing these things, it appears that we may be able to avoid that problem. I agree that if it were real it would be a matter of concern, but so many times these things are raised and they are not correct when they are brought to us. It is not new, but that too is reality, as Peter Trueman used to say.

Anyway, the administration at Thompson General Hospital feel that they will be able to implement the staffing guideline over a two-year period without layoffs. That is what they tell us, Mr. Chairperson. Who am I supposed to believe here, the administrator of the Thompson General Hospital, whom the member for Thompson likes to quote, so now I have to ask, is he being quoted accurately by the member for Thompson? Well, according to my information, no. He is not doing that accurately.

The Leader of the Opposition (Mr. Doer) might be interested to know that the member for Thompson (Mr. Ashton) disagrees profoundly with the administrator of Thompson General Hospital, who says that they feel they will be able to implement the staffing guidelines in Thompson over a two-year period without layoff, and

this is not the prospect being raised by the member for Thompson. [interjection] Well, I think he is a pretty special fellow too, actually, the honourable member for Thompson, an extremely unusual and interesting fellow.

To continue on the matter related to the Thompson General Hospital, the administration of the Thompson General Hospital feel they are going to be able to implement the staffing guideline over a two-year period without layoffs. There may be some minimal reduction, and I say minimal reduction, of hours for some employees, but this will be finalized within two weeks. In view of Thompson General Hospital's obstetrical program, some increase in staffing has been recommended by Manitoba Health.

**Mr. Chairperson:** Order, please. I would like to suggest that this section of the Committee of Supply temporarily interrupt its proceedings, that Madam Speaker may resume the Chair to permit the House to determine whether there is an agreement to amend the previously agreed to sitting hours for tomorrow morning. [agreed]

## IN SESSION

### House Business

**Hon. Jim Ernst (Government House Leader):** Madam Speaker, by leave, I move, seconded by the Minister of Family Services (Mrs. Mitchelson), that notwithstanding the decision of June 1, 1995, effective immediately when the Committee of Supply is sitting on Wednesdays, it shall recess at 6 p.m. and reconvene at 10 a.m. on the following day, Thursday, and continue sitting until not later than 12 p.m.

**Motion agreed to.**

**Madam Speaker:** The Committee of Supply will resume with all sections sitting together in this Chamber.

## COMMITTEE OF SUPPLY (Continued)

**Mr. Chairperson (Marcel Laurendeau):** Order, please. The Committee of Supply will come to order and recess until 10 a.m. tomorrow (Thursday).

# LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, June 7, 1995

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